Manitoba Intergovernmental Affairs and Trade

# Annual Report
# 2003-2004

Manitoba

*La version française de ce rapport annuel se retrouve sur le site Internet*
An English version of this Annual Report can be found on the internet at www.gov.mb.ca/ia

MINISTER OF
INTERGOVERNMENTAL AFFAIRS AND TRADE

Room 301
Legislative Building
Winnipeg, Manitoba, CANADA
R3C 0V8
General Office: (204) 945-3788
Fax: (204) 945-1383

The Honourable John Harvard, P.C., O.M.
Lieutenant Governor of Manitoba
Room 235, Legislative Building
Winnipeg MB R3C 0V8

May It Please Your Honour:

I have the privilege to present for your information the Annual Report of Manitoba Intergovernmental Affairs and Trade for the fiscal year ended March 31, 2004.

Yours sincerely,

Rosann Wowchuk

Rosann Wowchuk
Minister

# Manitoba

**Intergovernmental Affairs and Trade**

Legislative Building
Winnipeg, Manitoba
CANADA

Honourable Rosann Wowchuk
Minister of Intergovernmental Affairs and Trade
301 Legislative Building
Winnipeg MB R3C 0V8

Dear Minister:

We are pleased to present to you the Annual Report of the Department of Intergovernmental Affairs and Trade for the fiscal year ended March 31, 2004. This report demonstrates our commitment for sustainable cities, revitalizing rural Manitoba, growth for all regions, and ensuring Manitoba communities continue to be places of opportunity.

The consolidation of trade and local government initiatives in a single department recognizes that the continuing health of our communities is critical to Manitoba's position in the Canadian, North American and world economy. Several initiatives undertaken this past year, in such areas as municipal infrastructure support, local governance and land use planning all better position Manitoba's communities to meet the existing and emerging challenges of the new economy. An enhanced emphasis on coordinating the province's international and trade activities, combined with the new Exporter Development Initiative, will provide support to Manitoba companies as they capitalize on the Manitoba advantage. We do this by working collaboratively with our stakeholders – bringing synergies that are only possible through the sharing of goals, drive and resources.

We look forward to continuing the positive momentum generated in 2003/04 into the upcoming year.

Yours sincerely,

Marie Elliott
Deputy Minister
Intergovernmental Affairs

Yours sincerely,

Diane Gray

Diane Gray
Associate Deputy Minister of
Federal-Provincial and International Relations
Associate Deputy Minister of Trade

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# Preface

## Introduction

In November of 2003 the Department of Intergovernmental Affairs was re-organized. As a result the Rural and Northern Community Economic Development Division was transferred to the new Department of Agriculture, Food and Rural Initiatives (MAFRI) with the exception of the Manitoba Water Services Board which was transferred to the Department of Water Stewardship. Related capital funding under Financial Assistance to Municipalities also was transferred to MAFRI (Infrastructure Development) and Water Stewardship (Sewer and Water Programs and Conservation Districts).

As part of the same reorganization, a new division, Trade and Federal-Provincial and International Relations, was created through programming transfers from five departments. Major programming components that were transferred include the Federal-Provincial Relations Secretariat, International Education, Manitoba Trade and Investment Marketing, Agriculture and the Manitoba Office in Ottawa. This consolidation allows the co-ordination of resources and expertise in international relations within the Government of Manitoba, to maximize effectiveness, to ensure consistency with corporate strategies and to provide a "single-window" access and face to the government's international activities.

## Report Structure

This Annual Report is organized in accordance with the appropriation structure as at April 2003 and as set out in the Main Estimates of Expenditure of the Province of Manitoba for the fiscal year ending March 31, 2004. It thereby reflects the authorized votes of the Department as approved by the Legislative Assembly. The Report contains financial performance and variance information at the Main and Sub-appropriation levels relating to the Department's objectives and results. A five-year adjusted historical table of departmental expenditures and staffing is provided.

## Role and Mission

Manitoba Intergovernmental Affairs and Trade's mission is to support Manitobans in building healthy, sustainable and productive neighbourhoods and communities. The Department provides leadership and works collaboratively with urban, rural and northern Manitobans and businesses to ensure their communities are places of opportunity. The Department's clients include individuals, local governments, community organizations and businesses.

The Department establishes a legislative, financial, planning and policy framework that supports democratic, accountable, effective and financially efficient local government, and the sustainable development of our communities. It promotes investment opportunities and supports Manitoba businesses, and companies providing products and services, to become export capable and expand into new markets. Within this framework, the Department delivers programs to meet particular needs for training, on-going advice, technical analysis, promotion and funding related to community/neighbourhood revitalization and development, infrastructure development, land management, local governance, and trade and investment.

With a common interest in promoting the well being of our residents, businesses and communities, the Department plays a leadership role by advocating for community and neighbourhood needs and is a catalyst and co-ordinator of action. The Department also advocates for Manitoba at the international level. The Department promotes intergovernmental relationships and strategic partnerships between the private sector and non-government organizations.

## Statutory Responsibilities

The Department delivers services and programs under the authority of the following Acts of the Consolidated Statutes of Manitoba (as per schedule "M", Order in Council 395/2003):

*The City of Winnipeg Charter* (S.M. 2002, C.39)
*The Convention Centre Corporation Act* (S.M. 1988-89, C.39)
*The Local Authorities Election Act*
*The Local Government Districts Act*
*The Municipal Act*
*The Municipal Assessment Act*
*The Municipal Affairs Administration Act*
*The Municipal Board Act*
*An Act Respecting Debts Owing by Municipalities to School Districts*
*The Official Time Act*
*The Planning Act (except Part IX)*
*The Regional Waste Management Authorities Act*
*The Soldiers' Taxation Relief Act*
*The Manitoba Trade and Investment Corporation*
*The Unconditional Grants Act*

105-00152/

## Organizational Structure

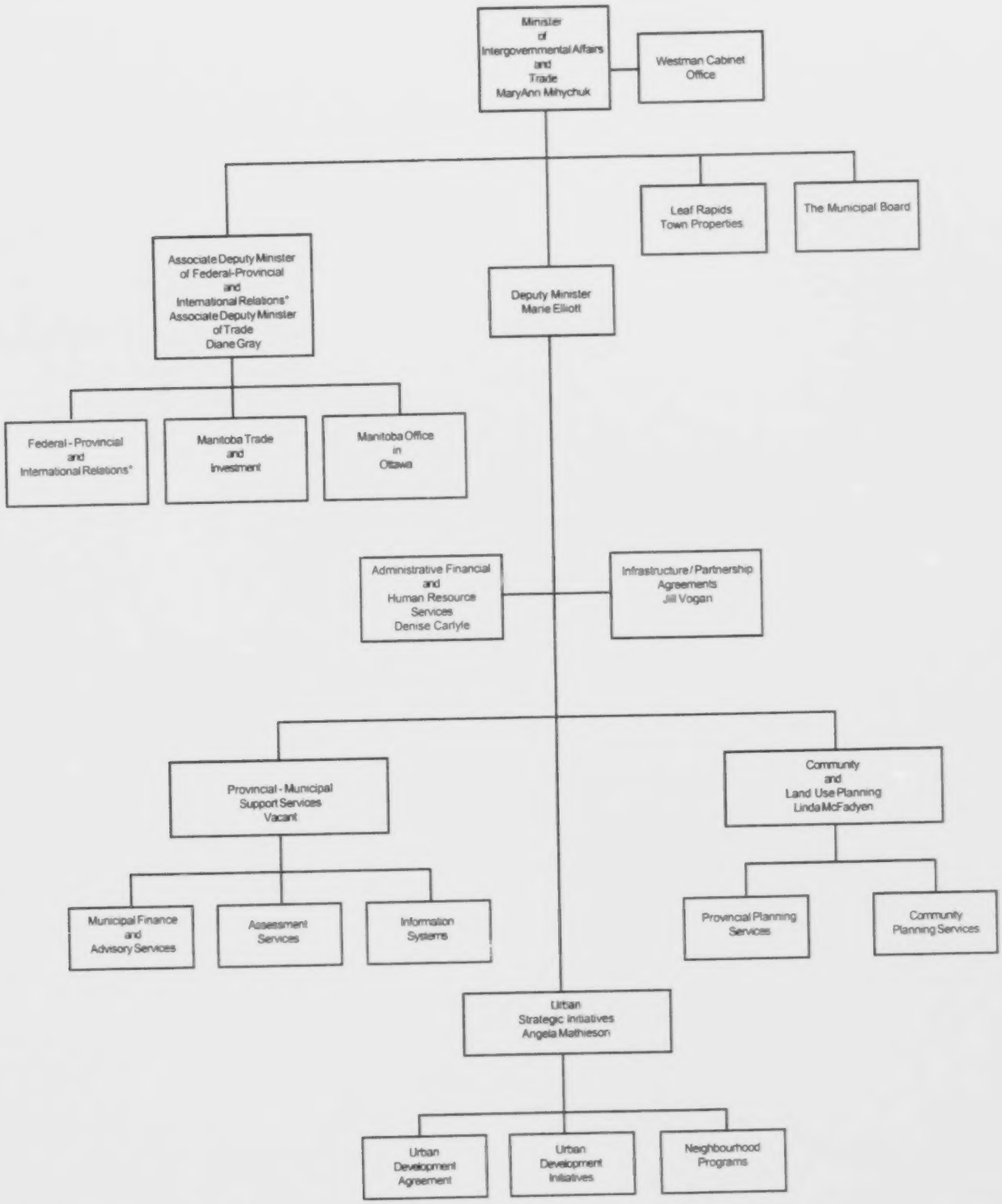
The Department's organizational structure is illustrated in the Organizational Chart and in the accompanying map depicting the regional delivery system. The Department is organized into four functional areas:

- Community and Land Use Planning Services, responsible for creating and managing an effective land use planning policy and legislative framework, providing the basis for all provincial and local decisions on land use, and delivering planning services and advice to communities across Manitoba.
- Provincial-Municipal Support Services, providing all 199 Manitoba municipalities with advisory and consulting services, financial support, enabling legislation and a policy framework enabling local governments to respond effectively and efficiently.
- Urban Strategic Initiatives, responsible for co-ordinating and developing sustainable, integrated urban public policies and programs with the community, and for supporting revitalization efforts in the downtown and designated neighbourhoods of Manitoba's urban centres, through initiatives such as Neighbourhoods Alive!, Building Communities and Urban Development Initiatives.
- Trade and Federal-Provincial and International Relations provides strategic policy advice in managing relationships with the federal government and other provincial and territorial governments, co-ordinates a corporate approach to advance and promote Manitoba's interests in the United States and internationally supports business in becoming export capable, and supports educational institutions in marketing education and training opportunities internationally.

In addition to these core functions, the Department oversees the Canada-Manitoba Infrastructure Programs, the Canada-Manitoba Economic Partnership Agreement (EPA), and the Winnipeg Partnership Agreement. Several Boards and Committees also function within the Department.

The Department operates with 308 employees, 53% of whom are located in 13 regional locations throughout the Province.

# DEPARTMENT
# OF
# INTERGOVERNMENTAL AFFAIRS and TRADE
# ORGANIZATIONAL CHART

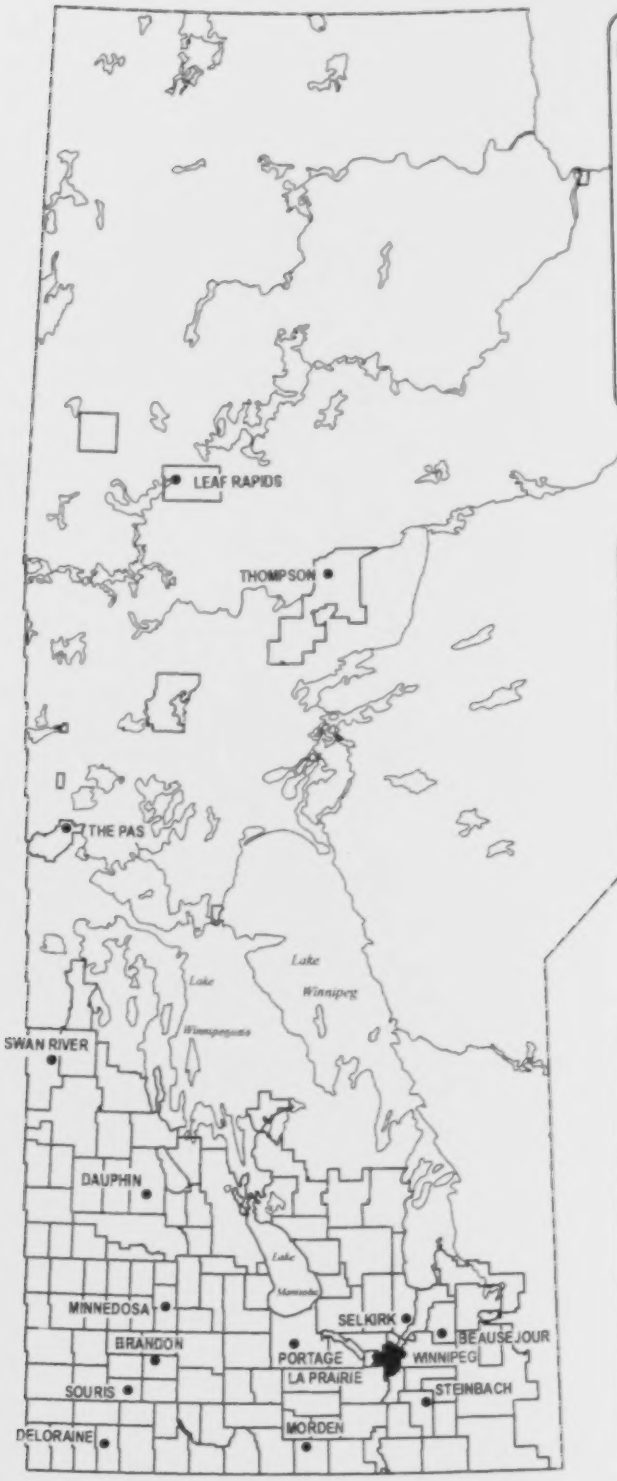

Minister of Intergovernmental Affairs and Trade MaryAnn Mihychuk
Westman Cabinet Office
Leaf Rapids Town Properties
The Municipal Board
Associate Deputy Minister of Federal-Provincial and International Relations* Associate Deputy Minister of Trade Diane Gray
Deputy Minister Marie Elliott
Federal - Provincial and International Relations*
Manitoba Trade and Investment
Manitoba Office in Ottawa
Administrative Financial and Human Resource Services Denise Carlyle
Infrastructure / Partnership Agreements Jill Vogan
Provincial - Municipal Support Services Vacant
Community and Land Use Planning Linda McFadyen
Municipal Finance and Advisory Services
Assessment Services
Information Systems
Provincial Planning Services
Community Planning Services
Urban Strategic Initiatives Angela Matheson
Urban Development Agreement
Urban Development Initiatives
Neighbourhood Programs

*In association with the Clerk of Executive Council



MAR / 2004

# MANITOBA INTERGOVERNMENTAL AFFAIRS AND TRADE REGIONAL OFFICES




**INTERGOVERNMENTAL AFFAIRS AND TRADE**
**WINNIPEG OFFICE**

- Administration and Finance
- The Municipal Board
- Community and Land Use Planning Services
- Provincial-Municipal Support Services
- Canada - Manitoba Agreements
- Urban Strategic Initiatives
- Trade and Federal - Provincial and International Relations

**INTERGOVERNMENTAL AFFAIRS AND TRADE**
**REGIONAL OFFICE - SERVICES**

**LEGEND**

- ▲ Assessment
- ✦ Community Planning Services
- ✱ Leaf Rapids Town Properties
- ★ Municipal Finance & Advisory Services

**REGIONAL OFFICE - SERVICES**

| | ▲ | ✦ | ✱ | ★ |
|---|---|---|---|---|
| BEAUSEJOUR | | ✦ | | |
| BRANDON | ▲ | ✦ | | ★ |
| DAUPHIN | ▲ | ✦ | | |
| DELORAINE | | ✦ | | |
| LEAF RAPIDS | | | ✱ | |
| MINNEDOSA | ▲ | | | |
| MORDEN | ▲ | ✦ | | |
| PORTAGE LA PRAIRIE | ▲ | ✦ | | |
| SELKIRK | ▲ | ✦ | | |
| SOURIS | ▲ | | | |
| STEINBACH | ▲ | ✦ | | |
| SWAN RIVER | ▲ | | | |
| THE PAS | | | | ★ |
| THOMPSON | ▲ | ✦ | | |

# SECTION I
# INTERGOVERNMENTAL AFFAIRS

Formerly

Service Heading 13
**Intergovernmental Affairs**

# Administration and Finance

The Division provides the Minister and staff responsible for the portfolio with advice and administrative support, makes recommendations on human resource management, and directs administrative and financial services. These services are provided by Executive Support, the Brandon Office, and the Administrative, Financial and Human Resource Services Branch. This Division also includes The Municipal Board.

## Minister's Salary

The Minister provides leadership in maintaining and enhancing the direct partnership the Province has with its municipal partners, and its land use, resource management and economic development organizations. The Minister provides direction to ensure departmental goals and objectives are met.

### 1(a) Minister's Salary

| Expenditures by Sub-appropriation | Actual 2003/04 $ | Estimate 2003/04 FTE | Estimate 2003/04 $ | Variance Over/(Under) | Expl. No. |
|---|---|---|---|---|---|
| Total Salaries | 18.4 | 1.00 | 29.0 | (10.6) | |

## Executive Support

The office of the Deputy Minister provides the Minister and her staff with information and advice regarding matters of concern to ensure open and continuing lines of communication within the municipal/provincial partnership, and between the Department and its diverse client groups. The Deputy Minister's office continues to carry out policy decisions initiated by the Minister and set directions for the activities conducted by the Department's branches. Administrative assistance is extended to the Minister's office.

### 1(b) Executive Support

| Expenditures by Sub-appropriation | Actual 2003/04 $ | Estimate 2003/04 FTE | Estimate 2003/04 $ | Variance Over/(Under) | Expl. No. |
|---|---|---|---|---|---|
| Total Salaries | 459.2 | 9.50 | 531.1 | (71.9) | |
| Total Other Expenditures | 79.9 | 0.00 | 83.0 | (3.1) | |
| TOTAL | 539.1 | 9.50 | 614.1 | (75.0) | |

## Brandon Office

Opened in 1989 the Brandon Cabinet Office provides citizens in western Manitoba with ready and convenient access to government. The store-front office provides information regarding government programs, and access to contact people in government departments and agencies.

### 1(c) Brandon Office

| Expenditures by Sub-appropriation | Actual 2003/04 $ | Estimate 2003/04 FTE | Estimate 2003/04 $ | Variance Over/(Under) | Expl. No. |
|---|---|---|---|---|---|
| Total Salaries | 103.3 | 3.00 | 161.4 | (58.1) | |
| Total Other Expenditures | 47.7 | 0.00 | 55.0 | (7.3) | |
| TOTAL | 151.0 | 3.00 | 216.4 | (65.4) | |

## Human Resource Management

The Consolidated Human Resource Services Section provides the Department's executive with appropriate recommendations on all aspects of human resource management, works within Civil Service Commission legislation and policy guidelines, and ensures that short and long-term staffing requirements are met within the Department. These objectives are met through recruitment and selection, position classification, performance appraisal, labour relations, human resource planning, staff training and development, staff counseling and occupational health and safety programs. The pay and benefits services are being provided through the consolidated Human Resource, Pay and Benefits Unit.

### Principal Activities in 2003/2004

- Continuation of recruitment and selection delegations, and classification delegations from the Civil Service Commission, as a consolidated unit. Twenty-eight positions were filled through recruitment activity. In addition there were ten appointments to S.T.E.P. positions and one appointment under the Youth Transition Program. Eight classification reviews were completed.

- Provided comprehensive pay and benefits services for approximately 374 Intergovernmental Affairs employees and 2,179 employees in total through the Consolidated Pay and Benefits Unit.

- Provided guidance and advice on pay and administration issues.

- Forty-four employees attended various training courses offered through the Civil Service Commission's Organization and Staff Development Division. In addition, 20 employees received departmental education assistance to enhance career opportunities.

- Participated in Management Internship Programs.

- Administered and interpreted labour relations agreements to ensure consistent application. Advised supervisory and management staff on application of contract provisions and provided advice and guidance on Labour Relations issues.

- Participated on Departmental Labour Management Committee and helped to resolve issues.
- Provided guidance and advice during departmental restructuring.
- Implemented exit interviews to capture improvement opportunities.
- Developed a framework for a Mentoring Program which will become part of the Department's succession and renewal strategy.
- Began implementation of competencies to align Department objectives, values, recruitment, succession planning and performance management strategies.
- Developed competency based training/development plans including job task analysis and schedules.
- Developed succession strategies to address aging workforce issues and the effect of retirements.
- Participated in Employment Equity Strategy including updating and monitoring of Employment Equity statistics.

### 1(d) Human Resource Management Services

| Expenditures by Sub-appropriation | Actual 2003/04 $ | Estimate 2003/04 FTE | Estimate 2003/04 $ | Variance Over/(Under) | Expl. No. |
|---|---|---|---|---|---|
| Total Salaries | 127.4 | 4.00 | 149.4 | (22.0) | |
| Total Other Expenditures | 27.2 | 0.00 | 27.2 | 0.0 | |
| TOTAL | 154.6 | 4.00 | 176.6 | (22.0) | |

## Financial and Administrative Services

This Section provides central support services essential to the operation of the Department, including comptrollership, accounting, financial reporting, budget co-ordination, and administrative services to the Department. Within the authority of *The Financial Administration Act*, central co-ordination is provided to ensure the financial integrity of management information systems. Staff are also responsible for interpreting directives and regulations of Manitoba Finance.

### Principal Activities in 2003/2004

- Maintaining the Minister of Intergovernmental Affairs and Trade' Trust Account with receipts of approximately $6.9 million and disbursements of approximately $6.9 million.
- Processing expenditures totalling approximately $132.6 million. Maintaining a revenue collection and deposit system totalling $7.9 million.
- Co-ordinating and consolidating the financial information necessary to prepare Detailed Estimates of Expenditure and Revenue, an Estimates Supplement, Annual Report, Public Accounts Variance

Explanations and Quarterly Forecasts of Expenditures and Revenues.

- Co-ordinating the operation and maintenance of approximately 66 fleet vehicles.
- Co-ordinating requests under *The Freedom of Information and Protection of Personal Privacy Act*. To year-end, 58 requests were submitted to the departmental Access Officer and were processed.
- Preparing financial reports for departmental management, and administering the Soldier's Taxation Relief By-laws.
- Within the Department, provision of continuing support for the SAP software. Provision of technical advice, review, and revision of all related policies and procedures affected by the redesigned business processes necessitated by SAP.
- Providing property management and accounting services for Leaf Rapids Town Properties Ltd.
- Monitoring and updating the business plan, and co-ordination of French Language Services.
- Co-ordinating the Department's procurement activities and representing the Department on relevant committees.
- Representing the Department on the Manitoba Emergency Measures Organization committee and co-ordinating relevant activities.
- As a member of the *Sustainable Development Act* Steering Committee, other related committees and the Procurement Council, the Department participated in the development of sustainable development guidelines for government. Those guidelines will become the basis for incorporating sustainable development into the Department's future activities. A summary of the Department's sustainable development activities and accomplishments is included in Appendix D.

## 1(e) Financial and Administrative Services

| Expenditures by Sub-appropriation | Actual 2003/04 $ | Estimate 2003/04 FTE | Estimate 2003/04 $ | Variance Over/(Under) | Expl. No. |
|---|---|---|---|---|---|
| Total Salaries | 421.7 | 8.10 | 452.2 | (30.5) | |
| Total Other Expenditures | 171.0 | 0.00 | 193.7 | (22.7) | |
| TOTAL | 592.7 | 8.10 | 645.9 | (53.2) | |

## The Municipal Board

The Municipal Board is a quasi-judicial body that hears applications, appeals and makes reports and recommendations relating to local government matters.

Due to its quasi-judicial nature, the Board operates independently and is attached to the Department for administrative reasons only. The Board prepares a separate Annual Report on a calendar-year basis.

### 1(f) The Municipal Board

| Expenditures by Sub-appropriation | Actual 2003/04 $ | Estimate 2003/04 FTE | Estimate 2003/04 $ | Variance Over/(Under) | Expl. No. |
|---|---|---|---|---|---|
| Total Salaries | 606.3 | 9.00 | 811.1 | (204.8) | |
| Total Other Expenditures | 228.5 | 0.00 | 273.6 | (45.1) | |
| TOTAL | 834.8 | 9.00 | 1,084.7 | (249.9) | |

# Community and Land Use Planning Services

## Overview

Community and Land Use Planning Services is responsible for creating and managing an effective land use planning policy and legislative framework in the Province that provides a sound basis for all provincial and local land use decisions. It is also responsible for the direct delivery of planning services to communities across Manitoba. These services are delivered through two branches: the Provincial Planning Services Branch and the Community Planning Services Branch.

Community and Land Use Planning Services contributes to the Department's overall mandate by ensuring well planned communities that are better able to provide a healthy living environment and to attract jobs and investment. In 2003/04, Community and Land Use Planning Services focussed its work on strengthening the foundations of planning in the Province.

Several key initiatives are described in more detail under each Branch. These initiatives included: Manitoba Planning Law Review; Provincial Land Use Policies Regulation Review; Capital Region planning initiative; planning for the sustainable growth of the livestock sector; enhancing planning practice in the Province with the Manitoba Planning Conference and the Manitoba Planning Excellence Awards; and delivering professional planning services to communities across Manitoba.

## Executive Administration

The office of the Assistant Deputy Minister co-ordinates program delivery within the Division. Direction is given to Division staff to carry out programs and services in areas of provincial land use policy development and application, regional planning, community planning, subdivision approval and provincial planning legislation. The Assistant Deputy Minister's office provides the Deputy Minister, the Minister and the executive level of government with information and advice regarding community and land use planning matters.

### 2(a) Executive Administration

| Expenditures by Sub-appropriation | Actual 2003/04 $ | Estimate 2003/04 FTE | Estimate 2003/04 $ | Variance Over/(Under) | Expl. No. |
|---|---|---|---|---|---|
| Total Salaries | 290.9 | 2.00 | 274.4 | 16.5 | |
| Total Other Expenditures | 29.4 | 0.00 | 30.6 | (1.2) | |
| TOTAL | 320.3 | 2.00 | 305.0 | 15.3 | |

## Provincial Planning Services

Provincial Planning Services develops and administers the provincial policy and legislative framework that serves as the foundation for effective land use planning in Manitoba. It also contributes to healthy and sustainable communities through participation in strategic land use planning initiatives.

### Principal Activities in 2003/2004

Provincial Planning Services is responsible for the review of development plan by-laws, land subdivisions, and annexation/amalgamation proposals on behalf of the Province. It also serves as the Secretariat to the Interdepartmental Planning Board of deputy ministers of departments responsible for land use matters. In 2003/04, the Branch's activities included the following:

- *Review of Development Plan By-laws and Amendments:* Provincial Planning Services co-ordinated 116 land use reviews of new development plan by-laws and by-law amendments in consultation with other government departments and agencies. The Branch made recommendations to the minister on compliance of the by-laws with the Provincial Land Use Policies Regulation as well as other provincial regulations.

- *Review of Subdivision Applications:* Provincial Planning Services is responsible for the assessment and review of subdivision applications that have had issues or concerns identified through the local or provincial review process. Approximately 27 subdivision applications were referred to Provincial Planning Services for analysis and a recommendation on approval or rejection. Efforts are made to resolve issues between the applicant and the concerned agencies and parties. In cases of appeals, Provincial Planning Services appeared before The Municipal Board and made representation on behalf of the Province with respect to provincial concerns and legislative or regulatory requirements under *The Planning Act*.

- *Representing Provincial Interests in Land Use and Development at Hearings*: Provincial Planning Services is authorized to appear and make representations under *The Planning Act* and *The Municipal Act* at various hearings on development plan by-laws, zoning by-laws and subdivisions. In 2003/04, Provincial Planning Services staff represented provincial interests at five hearings.

- *Review of Annexation and Amalgamation Proposals:* Provincial Planning Services co-ordinated the provincial review of eight proposals submitted by municipalities. The Branch consulted with other departments and, where possible, mitigated and resolved outstanding issues with the affected municipalities. The Branch prepared reports to The Municipal Board and, upon approval of each proposal, the draft boundary regulation.

- *Interdepartmental Planning Board:* As the Secretariat to the Interdepartmental Planning Board (IPB), Provincial Planning Services arranged meetings, co-ordinated agendas, prepared minutes and assisted IPB in fulfilling its duties as a forum for interdepartmental and inter-agency consultation and co-ordination on government land use related legislation, policy and programs. IPB also fulfils responsibilities under *The Environment Act* related to the form of environmental assessments, content of guidelines and review of assessment reports; and under *The Sustainable Development Act* related to the co-ordination of the development and implementation of Manitoba's sustainable development strategy.

- *Shoal Lake Water Quality Agreement:* The Provincial Planning Services Branch oversees the Shoal Lake Water Quality Agreement on behalf of the Province. The Shoal Lake Agreement was signed by Manitoba, Winnipeg and Shoal Lake First Nation No. 40 in June 1989 and came into effect with the signing of a five-year parallel agreement between Shoal Lake First Nation No. 40 and Canada on September 18, 1990. The Shoal Lake Agreement has a term of 60 years. The overall objectives of the Agreement are to protect and maintain the quality of Winnipeg's drinking water, and to promote economic viability for Shoal Lake First Nation No. 40.

The 1989 Agreement provided for the establishment of a $6,000.0 Trust Fund ($3,000.0 each from the City and Province) in consideration of the First Nation's regulation of certain activities on the Reserve for a period of 60 years. The Trust Fund is administered by a trust company on behalf of the three parties. Provided it fulfils its obligations under the Agreement, the First Nation receives the annual income from the Trust Fund until the Agreement concludes.

Since the Agreement came into effect in September 1990, all of the income earned by the Trust Fund has been disbursed to the First Nation: a total to December 31, 2003 of $7,432.0.

## Highlights in 2003/2004

Provincial Planning Services co-ordinated several major policy initiatives aimed at strengthening the land use planning framework in Manitoba and the Capital Region.

- *Planning Law Review:* Provincial Planning Services continued the review of the Province's planning statutes with a view to streamlining and modernizing the land use planning process. Public workshops were completed in February of 2003 and reports on both the workshops and written submissions have been compiled and available on the departmental website (Planning Law). The information is being reviewed by the department and government and draft legislation will be developed over the next year.

- *Provincial Land Use Policy Review (PLUP):* A review of the current PLUP Regulation 184/94 was initiated in 2001/2002. The Provincial Land Use Policies provide a framework for integrated and sustainable land use decision-making in Manitoba. The first phase involving interdepartmental consultation has been completed and proposed revisions to the current policies have been drafted and are being reviewed with provincial departments. Public consultation will follow in 2004/05 followed by preparation of a revised Regulation.

- *Capital Region:* The Regional Planning Advisory Committee, which had been appointed by the Manitoba Government in September 2001, concluded its public and stakeholder consultations. In October of 2003, the Committee submitted its final report entitled "*A PARTNERSHIP FOR THE FUTURE - Putting the Pieces Together in the Manitoba Capital Region*" to the Minister. The Report contains more than 75 recommendations to address land use, partnership and administrative issues in the Capital Region. The recommendation of the report will be used as the basis for finding the "common ground" for working together to achieve the Region's potential. To facilitate the priority setting and decision making process, the Capital Region Committee comprised of Mayors and Reeves of the Capital Region and two representatives from the Province established an Implementation Steering Committee (ISC). The ISC includes two representatives from the Province, two from Winnipeg and two from the Capital Region Municipalities outside Winnipeg. The ISC's role is to develop the priority action items that would be brought to the entire Capital Region Committee for review, decision making and implementation. The ISC has started its activities and will continue in its role to support the strategic management of development in Manitoba's Capital Region.

- *Livestock Planning Legislation Review:* Provincial Planning Services drafted proposals to change the approval process for livestock in *The Planning Act* and to the *Provincial Land Use Policy Regulation.* Consultations were held with municipal leaders, agricultural producers and interest groups on the proposed changes in 2003/04. The intent of new legislation is to provide clarity, consistency and predictability to land use decisions at the municipal level in development plans through better up front planning by requiring livestock operations policies in development plans, establishing a standard review process for livestock operations and introducing provincial siting standards, while maintaining local decision–making at the municipal level. The government introduced the legislation on March 11, 2004.

- *The City of Winnipeg (Planning Provisions):* Provincial Planning Services assisted the City of Winnipeg with planning and development issues.

- *2004 Manitoba Planning Conference:* In 2003/04, Community and Neighbourhood Planning Services facilitated the 2004 Manitoba Planning Conference. The theme of the conference was "Stocking the Planning Tool Box". The conference incorporated four themes: fundamentals of planning; evolving planning law and policy; process tools; and exploring issues. The conference was a joint initiative with the City of Winnipeg, three planning districts in the Capital Region, and other partner organizations including the Association of Manitoba Municipalities, Manitoba Building Officials Association, Manitoba Professional Planners Institute, and Manitoba Municipal Administrators Association. The conference was attended by approximately over 300 delegates.

- *Manitoba Planning Excellence Awards:* Provincial Planning Services co-ordinated the second annual Manitoba Planning Excellence Awards. Adjudicated by a jury of experts and presented by the Minister of intergovernmental Affairs and Trade, these awards recognize and promote outstanding examples of planning practice in Manitoba. In 2003/04, two planning excellence awards were made, and two planning projects received honourable mention.

### 2(b) Provincial Planning Services

| Expenditures by Sub-appropriation | Actual 2003/04 $ | Estimate 2003/04 FTE | Estimate 2003/04 $ | Variance Over/(Under) | Expl. No. |
|---|---|---|---|---|---|
| Total Salaries | 489.8 | 6.00 | 498.2 | (8.4) | |
| Total Other Expenditures | 190.7 | 0.00 | 335.1 | (144.4) | |
| Less: Recoverable from Urban and Rural Economic Development Initiatives | (206.3) | 0.00 | (314.6) | 108.3 | |
| TOTAL | 474.2 | 6.00 | 518.7 | (44.5) | |

## Community Planning Services

The Community Planning Services Branch supports the development of healthy, sustainable communities by providing regionally-based community planning and development services. Located in nine regional centres across Manitoba and supported by a Winnipeg office, the Branch delivers professional and technical planning services to local planning authorities, northern communities and the public, and carries out the responsibilities delegated to staff under *The Planning Act* and *The Municipal Act*.

### Principal Activities in 2003/2004

- Staff provided professional and technical services to municipalities and planning districts preparing development plan and zoning by-laws, and related amendments. In 2003/04 staff assisted in the preparation and adoption of 197 planning by-laws. These by-laws ensure local control over the use and development of land.

- The Branch provided advice and assistance to local governments and provincial agencies in the implementation of sustainable development principles in the planning and development process. The Branch also provided support services to community and regional Round Tables under the Community Choices Program.

- The Branch continued to work in partnership with Aboriginal and Northern Affairs to provide strategic planning and land use planning services to unincorporated northern communities. In 2003/04 the Branch undertook major planning projects in six northern communities.

- The Branch provided advice and assistance to other provincial departments and agencies on the use and development of land. In 2003/04, staff reviewed 141 proposals for the disposition or development of Crown land, and provided comments to Manitoba Conservation.

- Staff provided alternative dispute resolution assistance to municipalities on matters related to planning and development, and municipal restructuring and boundary alterations. The objective was to facilitate local resolution of inter-municipal issues prior to or in lieu of a Municipal Board application and hearing.

- Staff processed 708 new applications for subdivisions as the delegated subdivision approving authority under *The Planning Act*. Staff also processed 2 applications in northern Manitoba on behalf of Manitoba Aboriginal and Northern Affairs and reviewed 65 applications submitted to the Brandon and Area Planning District Board and the Selkirk and District Planning Area Board.

- In 2003/04, 41 by-laws for the closure of roads and public reserves were reviewed and approved on behalf of the Minister. The authority to make decisions on by-laws for the closure of roads and public reserves has been delegated to senior regional planning staff.

- Regional staff participated in the review of major proposed livestock operations through the Technical Review Committee process under *The Planning Act*. In 2003/04 staff contributed to 13 new technical review reports prepared for consideration by municipal councils.

- Branch staff provided advisory assistance to planning districts and municipalities to deal with land use issues related to livestock development as part of Manitoba's Livestock Stewardship Initiative. This Initiative is intended to ensure that the expansion of the livestock industry is sustainable both to protect the environment and to derive the maximum social and economic benefit for Manitoba communities and the provincial economy.

- Staff provided support to the Provincial Planning Services Branch in the reviews of Manitoba's Planning Law and the Provincial Land Use Policies.

## Highlights in 2003/2004

- The Branch supported the formation of one new planning district in 2003/04 bringing the total to 44 planning districts involving 140 member municipalities. Planning districts play a key role in developing effective responses to community and land use planning issues.

- Staff continued working to build the capacity of communities to deal with development and land use planning issues by providing educational and training opportunities for elected and appointed municipal officials. In 2003/04, the Branch assisted in organizing the annual Manitoba Planning Conference, which provided educational and information sharing opportunities for elected and appointed officials involved in planning.

- Under the Community Planning Assistance Program, in 2003/04 the Branch provided a total of $89,745 to 12 planning districts and municipalities to assist in preparing or updating local planning by-laws.

- Branch staff played a significant role on the interdepartmental committee developing an implementation plan for Dead stock/Rendering Services, in response to the BSE crisis.

## Summary of Planning Services by Regional Office (2003/04) [1]

| Regional Office | Development Plans & Amendments | Zoning By-laws & Amendments | Other By-laws | Sub-divisions | Livestock Technical Reviews | Crown Land Reviews |
|---|---|---|---|---|---|---|
| Beausejour | 4 | 13 | 10 | 77 | 0 | 11 |
| Brandon | 10 | 31 | 16 | 97 | 3 | 0 |
| Dauphin | 2 | 7 | 3 | 71 | 0 | 11 |
| Deloraine | 4 | 14 | 3 | 24 | 0 | 1 |
| Morden | 4 | 30 | 3 | 115 | 1 | 0 |
| Portage | 0 | 6 | 4 | 101 | 0 | 4 |
| Selkirk | 9 | 29 | 5 | 125 | 0 | 30 |
| Steinbach | 2 | 18 | 8 | 155 | 9 | 8 |
| Thompson | 2 | 12 | 4 | 10 | 0 | 76 |
| **TOTALS** | **37** | **160** | **56** | **775** | **13** | **141** |

[1] Figures represent new initiatives and do not include active files from previous year.

## 2(c) Community Planning Services

| Expenditures by Sub-appropriation | Actual 2003/04 $ | Estimate 2003/04 FTE | Estimate 2003/04 $ | Variance Over/(Under) | Expl. No. |
|---|---|---|---|---|---|
| Total Salaries | 2,698.1 | 47.00 | 2,814.5 | (116.4) | |
| Total Other Expenditures | 769.5 | 0.00 | 966.5 | (197.0) | |
| Less: Recoverable from Rural Economic Development Initiatives | (303.9) | 0.00 | (544.6) | 240.7 | |
| TOTAL | 3,163.7 | 47.00 | 3,236.4 | (72.7) | |

# Provincial-Municipal Support Services

## 2003/2004 Highlights

- Initiated a review of *The Local Authorities Election Act*, to modernize and streamline the legislation governing local elections.
- Provided strategic and technical support to assist municipally-driven restructuring initiatives in rural Manitoba.
- Enhanced monitoring of municipalities' compliance with financial accounting and reporting requirements through the development and implementation of a new automated tracking system.

## Executive Administration

The office of the Assistant Deputy Minister co-ordinates program delivery within the Division. Direction is provided to staff of the Division to carry out programs and services in the areas of education and training, advisory, financial, property assessment and data processing services to local government. The Assistant Deputy Minister's office provides the Deputy Minister, the Minister and the Executive level of government with information and advice regarding matters of concern relating to local government.

### 3(a) Executive Administration

| Expenditures by Sub-appropriation | Actual 2003/04 $ | Estimate 2003/04 FTE | Estimate 2003/04 $ | Variance Over/(Under) | Expl. No. |
|---|---|---|---|---|---|
| Total Salaries | 133.3 | 1.50 | 134.9 | (1.6) | |
| Total Other Expenditures | 29.3 | 0.00 | 30.6 | (1.3) | |
| TOTAL | 162.6 | 1.50 | 165.5 | (2.9) | |

## Assessment Services

The Branch provides property assessment services related to more than 390,000 roll entries, with a total market value of $28.4 billion, to:

- 198 Manitoba municipalities (Winnipeg provides its own assessment services).
- Manitoba Aboriginal and Northern Affairs, for the 61 communities under its jurisdiction.
- Manitoba Education and Youth.
- 36 Manitoba school divisions.

The assessment services include determining the values, classification, and liability to taxation of:

- "Real property" (land and buildings) in all 198 municipalities.
- "Personal property" (equipment) used for gas distribution systems and for oil and gas production in all municipalities, and other personal property in 137 municipalities that impose a personal property tax.
- "Business assessment" in 73 municipalities that impose a business tax.

### Principal Activities in 2003/2004

- Updating the 2003 assessment rolls for 2004 to reflect new construction and also changes in owner, owner address, legal description, subdivision of land or additions to buildings; issuing notices to the affected owners; and providing the preliminary and final rolls to the municipalities. Over 97,000 changes were recorded for the 2004 rolls.
- Responding to the 1,221 appeals filed at the Boards of Revision in 2003 (comprising less than 0.003% of all roll entries) and the 38 appeals filed at the Municipal Board.
- Providing municipalities with the information required for "supplementary taxation" – tax bills for new construction that was not on the final assessment roll delivered in the previous year, thus ensuring municipalities collect the full tax revenue they are entitled to.
- On-going property reviews, undertaken to ensure property records are current. Approximately 42,200 properties were reviewed.
- Commencing work for the next reassessment in 2006, which must be completed in 2005.
- Informing stakeholders about the assessment process, by:
  - meeting with municipal councils and responding to public inquiries;
  - publishing a guide for conducting Boards of Revision and *Reference Sheets* for councils and *Fact Sheets* and brochures, describing why and how property is assessed, for the public; and
  - providing public access to assessments via the Internet and to detailed computer data by subscription to Manitoba Online.

The Branch also researches issues related to property valuation, develops policies and procedures for the district offices, liaises with the City Assessor, and assists businesses, other organizations and other provincial and federal government departments with respect to assessment issues. The Branch also provides advice to government on legislative and policy issues related to property assessment.
For additional information on Market Value Assessment see Appendix A, and for additional information on Total School Assessment see Appendix B.

The Assessment Branch operates on a cost-recovery basis. Of its total budget ($8,032.0), 25% is recovered from Education, Citizenship and Youth and 75% is paid by municipalities into the Minister's Trust Fund.

## Clients

- *Municipalities* use the assessments as a critical component in raising the municipal taxation necessary to support their local service delivery.
- *Manitoba Education and Youth* (Education Support Levy) and the Province's *36 school divisions* (special levy) use the assessments in raising the revenue necessary to support school programs.
- *All government departments* with responsibility for Crown property use the assessments as the basis of grant-in-lieu of tax payments made to municipalities.
- *Property owners, fee appraisers, lending institutions and the public* also use assessment data for a variety of purposes.

## Highlights in 2003/2004

- *Technological Changes to Improve Assessment Services:* The Manitoba Assessment Valuation and Administration System (MAVAS), the electronic system used to support the assessment function, was further developed to expand its Geographical Information System capabilities. In addition, improvements were made to the process on how information on sold properties is acquired and recorded. These initiatives will enable staff to input and access data faster, perform quality control tests more effectively, and communicate better with clients.
- *Harmonization of Assessment Branch and City of Winnipeg Property Assessment Department Practices:* The Provincial Municipal Assessor and the City of Winnipeg Assessor continued a systematic review of assessment policies and procedures, aimed at ensuring commonality of approach wherever possible to increase consistency and equity of assessments across the Province.

## 3(b) Assessment Services

| Expenditures by Sub-appropriation | Actual 2003/04 $ | Estimate 2003/04 FTE | Estimate 2003/04 $ | Variance Over/(Under) | Expl. No. |
|---|---|---|---|---|---|
| Total Salaries | 6,288.8 | 124.50 | 6,587.7 | (298.9) | |
| Total Other Expenditures | 1,435.9 | 0.00 | 1,638.0 | (202.1) | |
| Less: Recoverable from Education, Citizenship and Youth | (2,008.0) | 0.00 | (2,056.4) | 48.4 | |
| TOTAL | 5,716.7 | 124.50 | 6,169.3 | (452.6) | |

## Municipal Finance and Advisory Services (MFAS)

The MFAS Branch supports the building and maintenance of strong municipal governments that can efficiently and effectively respond to their changing environments and serve as the foundation for healthy, viable municipalities.

The specific support provided to municipalities varies widely depending on the capacity and size of the municipality and its government. Winnipeg, as a large urban centre, operates under a different legislative and funding framework and does not generally require advisory services.

### Principal Activities in 2003/2004

- Providing a relevant and enabling legislative and policy framework.
- Providing capacity-building advisory and consultative services on administrative, governance and financial matters.
- Ensuring municipalities meet statutory requirements for financial budgeting, accounting, reporting and capital borrowing, as well as performing due diligence for capital borrowings.
- Providing annual financial assistance to support the operating and capital priorities of municipalities.

### Highlights in 2003/2004

- Participated in a cross-Canada study, including research and analysis on the role of local governments in supporting remote and resource-dependent communities affected by the shutdown of their major industry.
- Reviewed and analyzed governing legislation and funding arrangements for municipalities in other provinces to identify best practices.
- Initiated a review of The Local Authorities Election Act to modernize and streamline the legislative framework governing local elections, in time for the 2006 general election.
- Provided strategic, technical and other supports to municipally - driven restructuring initiatives in rural Manitoba through:
  - Implementation of the "Tools for Change" program in partnership with the Association of Manitoba Municipalities (AMM), including the development and delivery of workshop presentations on how municipalities can use and interpret Municipal Health Checklist information to assess their strengths and challenges, and best practices reference information highlighting successful municipal innovations.
  - Provision of individual facilitation and consultative services in support of restructuring initiatives aimed at ensuring viable communities and affordable service delivery.
- Developed a data base of key indicators and statistical information to analyze municipalities' viability.
- Designed and delivered workshops and seminars to elected officials and municipal administrators to build local capacity, including:
  - "Step by Step Advice to Effectively Manage Treaty Land Entitlement in Your Municipality" delivered in partnership with Manitoba Aboriginal and Northern Affairs and the Association of Manitoba Municipalities. Provided advice to municipalities on how best to manage the TLE process and information on the Province's Municipal Tax Loss Compensation package;
  - Training sessions, in conjunction with the Manitoba Municipal Administrators Association, to update procedures on municipal by-law enforcement; and

- Financial information workshops, delivered in conjunction with the Manitoba Municipal Administrators Association, which covered a broad range of topics relating to tax sales, municipal budgeting, and financing options.

- Revised The Municipal Act Procedures Manual, providing updated information to municipalities reflecting legislative, regulatory and policy changes concerning municipal by-law enforcement, tax sales and environmental sustainability guidelines.

- Published the annual *"Statistical Information for Municipalities"* providing financial information and analysis for all local governments in the Province.

- Supported other departments on key programs as they relate to Manitoba municipalities, including Manitoba Health and the West Nile virus provincial/municipal cost sharing program.

- Undertook due diligence requirements related to municipal capital borrowing to assist municipalities in financing capital projects. In 2003, $23.5 million in capital borrowing was conducted by Manitoba municipalities, a 3.7% decrease from the $24.4 million borrowed in 2002. The number of borrowing applications decreased from 87 in 2002 to 73 in 2003.

- Developed and implemented enhancements to the financial monitoring tracking system for municipalities' financial plans and audited financial statements, to ensure continued financial viability and compliance with financial accounting and reporting statutory requirements.

- Continued development of changes to municipal financial reporting practices, in partnership with the Association of Manitoba Municipalities and the Manitoba Municipal Administrators Association, to ensure compliance with Public Sector Accounting Board (PSAB) standards.

- Delivered comprehensive funding support to all Manitoba municipalities. The Province has a different arrangement for financial support to Winnipeg than other municipalities, given the different needs, demographics and economies of these municipalities. All municipalities, however receive Provincial Municipal Tax Sharing (PMTS) payments, a unique source of growth revenues for municipalities.

  PMTS payments are equal to 2.2 points of the percentage of the personal tax otherwise payable under the *Income Tax Act* (Canada) and an amount equal to one percent of the taxable income of corporations earned in Manitoba (net of capital gains refunds). In 2003/04, $82.5 million was provided to Manitoba municipalities, consistent with 2002/03. Although these payments are administered by branch staff, they are not reflected in the estimates of the Department.

  - Over $100 million in provincial funding was provided to the City of Winnipeg in 2003/04 through the Department, including PMTS payments ($47.3M), ongoing operating and capital grant funding and special strategic allocations to address priority projects and initiatives identified during the year. Program related support was also provided to the City from other provincial government departments.

  - Municipalities outside the City of Winnipeg also received funding support through a number of unconditional and conditional grant programs, including PMTS payments ($35.2M). Additional capital support was provided on a project basis through other programs including the Canada-Manitoba Infrastructure Program, Manitoba Water Services Board and through support for Conservation Districts.

  - Financial support to Winnipeg and to municipalities outside the City of Winnipeg is detailed starting on page 26 of this report.

## 3(c) Municipal Finance and Advisory Services

| Expenditures by Sub-appropriation | Actual 2003/04 $ | Estimate 2003/04 FTE | Estimate 2003/04 $ | Variance Over/(Under) | Expl. No. |
|---|---|---|---|---|---|
| Total Salaries | 982.7 | 18.80 | 1,196.4 | (213.7) | |
| Total Other Expenditures | 393.2 | 0.00 | 381.7 | 11.5 | |
| Less: Recoverable from Urban Development Initiatives | (109.7) | 0.00 | (109.7) | 0.0 | |
| TOTAL | 1,266.2 | 18.80 | 1,468.4 | (202.2) | |

## Information Systems

The Branch supports and improves the delivery of Intergovernmental Affairs and Trade programs by introducing advanced information technology, developing new systems, and helping redesign business processes.

The Branch provides application development, technical support, and clerical support to tax billing, assessment, and internal departmental systems.

### Principal Activities in 2003/2004

- Support, operation and maintenance of the Manitoba Assessment Computer System (MACS) and the Manitoba Assessment Valuation and Administration System (MAVAS) to produce annual assessment rolls and notices for municipalities, including enhancements to ensure that the technology supporting these business processes remains current.

- System support and operation through the preparation and processing of annual tax statements for municipalities, and water-billing services for some municipalities.

- Support and operation of other Intergovernmental Affairs and Trade systems, including maintaining:
  - the Economic Development Initiative Tracking System for the REDI (Rural Economic Development Initiatives), REA (Rural Entrepreneurial Advisory) and CWLP (Community Works and Loans Program) to provide the ability to monitor and report on the progress and impact of their initiatives;
  - the Community Planning Services (CPS) Activity Tracking System to provide the ability to monitor the progress of various items at the regional planning offices;
  - the Municipal Board Letters System for the Municipal Board to schedule and track hearings and send out notices to appellants;
  - the Manitoba Education/Property Tax Credit Advance (MEPTCA) System, used to confirm eligibility and provide qualified taxpayers with the MEPTCA deduction; and
  - a variety of other smaller systems to support functions such as budgets, salary projections, and vehicles.

## Clients

- *Primary internal clients* are *other Intergovernmental Affairs and Trade branches (primarily the Assessment Branch)* that rely on Information Systems to provide information technology services. Other internal clients include Manitoba Education and Youth and Manitoba Finance.

- *Primary external clients* are municipalities for the assessment rolls and notices, budget re-caps, and tax statements for budgeting and tax collection purposes.

- *Secondary external clients* are organizations involved in real estate, appraisal, financial or legal business sectors that receive assessment data from Information Systems.

## Highlights in 2003/2004

- *Geographical information systems implementation:* In conjunction with the Assessment and Community Planning Services Branches, Information Systems implemented the first phase of a Geographical Information System (GIS) to support Intergovernmental Affairs and Trade needs for automated mapping. The GIS will permit assessors and planners to graphically depict and analyze data that is at present stored only in a text based manner. The GIS will improve quality control of assessment data collection and reduce efforts in amassing data for land use planning decisions.

- *Migrating assessment and property tax systems processing:* Continuing to implement the long-term plan to increase functionality without increases in system costs, by continuing to reduce the use of the IBM mainframe system for assessment and property tax systems processing. With the bulk of the assessment processing migrated to a PC based system, work continued on redeveloping the property tax system, which will provide much-needed enhancements. To date, this initiative has been very successful, adding significant functionality within existing budget levels.

- *2006 Reassessment:* The next reassessment is scheduled for the 2006 tax year and the system requirements to support the next reassessment were identified and an appropriate work plan developed to meet that goal and work has begun on the system changes required to support the reassessment function.

## 3(d) Information Systems

| Expenditures by Sub-appropriation | Actual 2003/04 $ | Estimate 2003/04 FTE | Estimate 2003/04 $ | Variance Over/(Under) | Expl. No. |
|---|---|---|---|---|---|
| Total Salaries | 871.0 | 15.30 | 886.5 | (15.5) | |
| Total Other Expenditures | 1,391.9 | 0.00 | 1,405.5 | (13.6) | |
| Less: Recoverable from Education, Training and Youth | (412.6) | 0.00 | (416.2) | 3.6 | |
| TOTAL | 1,850.3 | 15.30 | 1,875.8 | (25.5) | |

# Rural and Northern Community Economic Development Services

## Overview

Rural and Northern Community Economic Development Services was transferred to the Department of Agriculture, Food and Rural Initiatives, with the exception of the Manitoba Water Services Board which was transferred to the Department of Water Stewardship. A small component remained in Intergovernmental Affairs and Trade, and is reflected below.

### 4(a) Executive Administration
### 4(c) Community and Regional Development Initiatives

| Expenditures by Sub-appropriation | Actual 2003/04 $ | Estimate 2003/04 FTE | Estimate 2003/04 $ | Variance Over/(Under) | Expl. No. |
|---|---|---|---|---|---|
| Total Salaries | 89.5 | 3.50 | 249.9 | (160.4) | |
| Total Other Expenditures | 85.6 | 0.00 | 95.9 | (10.3) | |
| TOTAL | 175.1 | 3.50 | 345.8 | (170.7) | |

# Financial Assistance to Municipalities

## Financial Assistance for The City of Winnipeg

The Province provides a comprehensive package of funding support to the City of Winnipeg, administered by the Department of Intergovernmental Affairs and Trade, which includes operating and capital grants and strategic priority funding to address key City funding pressures. Funding is offset to reflect the cost neutral transfer of the City's income assistance and Ombudsman programs to the Province, and public health services programs to the Winnipeg Regional Health Authority respectively, in accordance with the terms of the transfer.

In 2003/04, the Department administered direct financial assistance to the City through on-going operating and capital funding programs as well as through special strategic funding allocations which provided flexible funding to address priority operating initiatives and capital projects identified throughout the year.

Capital grants are provided to the City of Winnipeg for infrastructure projects. These grants are provided under the Urban Capital Projects Allocation (UCPA), the Residential Street Repairs program and an allocation for priority capital projects.

Capital grants are intended to provide Winnipeg with greater flexibility and autonomy in capital expenditure decisions, greater certainty in capital funding as well as to support Manitoba's commitment to municipal infrastructure renewal through a financial partnership between the Province and the City of Winnipeg.

Under UCPA III, $96.0 million was committed in both unconditional and cost-shared funding for various capital infrastructure projects over the six-year period (1997/98 – 2002/03). The Province also approved a one-year extension of UCPA III in 2003/04 and committed an additional $8.4 million in cost-shared funding, including support for sewer renewal projects and new transit buses. A total of $12,482.4 in capital grant payments were made to the City of Winnipeg in 2003/04 for projects approved under the one-year extension of UCPA III and for work completed on UCPA III projects approved in 2002/03 and prior years.

Residential Street Repairs program funding of $5,000.0 was provided to cost-share needed repairs to residential streets throughout Winnipeg.

Priority capital projects funding of $1,150.0 was also provided through a special allocation to support projects jointly selected by the Province and the City of Winnipeg

In addition to operating and capital grant funding, Winnipeg also received a share of personal and corporate income tax revenues through Provincial Municipal Tax Sharing (PMTS) payments. Over $100.0 million in provincial funding was provided to the City in 2003/04 through the Department of Intergovernmental Affairs and Trade, in addition to program related support from other provincial government departments.

## 5(a) Financial Assistance for The City of Winnipeg

| Expenditures by Sub-appropriation | Actual 2003/04 $ | Estimate 2003/04 FTE | Estimate 2003/04 $ | Variance Over/(Under) | Expl. No. |
|---|---|---|---|---|---|
| **Operating Assistance:** | | | | | |
| Unconditional Current Programs Grant | 19,887.5 | 0.00 | 19,887.5 | 0.0 | |
| Unconditional Transit Operating Grant | 16,854.0 | 0.00 | 16,854.0 | 0.0 | |
| General Support Grant | 8,290.5 | 0.00 | 8,290.5 | 0.0 | |
| Dutch Elm Disease Control Program Grant | 900.0 | 0.00 | 900.0 | 0.0 | |
| Unconditional Grant – Urban Community Development | 6,400.0 | 0.00 | 7,560.0 | (1,160.0) | 1 |
| Strategic Initiatives | 1,823.0 | 0.00 | 0.0 | 1,823.0 | 2 |
| Less: Adjustment to reflect Program transfers from the City of Winnipeg | (23,650.0) | 0.00 | (23,650.0) | 0.0 | |
| **Capital Assistance:** | 18,632.4 | 0.00 | 20,850.0 | (2,217.6) | 3 |
| TOTAL | 49,137.4 | 0.00 | 50,692.0 | (1,554.6) | |

***Explanation***

1. ***Reflects revised 2003 VLT revenue projections due in part to the impact of the City's indoor smoking ban.***
2. ***The City of Winnipeg received $1.8 million through a special allocation to address key operating funding pressures, including $923.0 to support the extension of nuisance mosquito larviciding outside the City boundaries, $500.0 to address increased Handi-Transit service demands and $400.0 for the City's arson unit.***
3. ***The 2003/04 Estimate was based on projected cashflow requirements. Actual requirements were lower than anticipated due either to delays in the completion of some projects or some projects coming in under budget. Funding was redirected to provide the City with additional funding to address operating pressures in 2003/04.***

# Financial Assistance to Other Municipalities

## Operating Assistance

### Transit Grants

Unconditional transit operating grants are provided to urban centres that operate a public transportation system (Brandon, Thompson and Flin Flon).

The Mobility Disadvantaged Transportation Program assists communities that have taken the initiative in providing transportation services for the mobility disadvantaged. These services enable mobility disadvantaged citizens to live more independently. The Department provides eligible municipalities with a one-time start-up grant ($6,000), and operating grants based on 37 1/2% of gross operating expenses ($20,000 maximum; $30,000 for two vehicles). In 2003/04 funding was provided to 64 communities.

### General Support Grants

The General Support Grant provides Manitoba municipalities with unconditional financial support intended to offset the Province's Health and Post Secondary Education Levy. The grant is distributed to municipalities based on the prior year's actual payroll. Municipalities with actual payroll costs less than $2.0 million received a grant of 4.3% of payroll costs less a $1.0 million payroll exemption. Municipalities with actual payroll costs greater than $2.0 million received a grant of 2.15% of payroll costs.

### Unconditional Grants – Rural Community Development

The Rural Community Development Grant provides unconditional support to all municipalities (excluding Town of Winkler and LGD of Mystery Lake) and Northern Affairs communities, funded by a 10% share of net Video Lottery Terminal (VLT) revenues generated in rural communities. In 2003/04 municipalities received a per capita payment of $13.90. Manitoba Aboriginal and Northern Affairs receives a portion of the VLT funding available for distribution based on the population of the Northern Affairs communities as a percentage of the total Manitoba population, excluding First Nations and the City of Winnipeg. The 2003/04 payment to Manitoba Aboriginal and Northern Affairs was $124,550.

## Capital Assistance

### Transit Bus Purchases

Under this program capital grants are provided to assist municipal governments (excluding the City of Winnipeg), operating public transit and handi-transit services, with the purchase of buses.

A transit capital grant of $100.0 is provided to the City of Brandon. The Mobility Disadvantaged Transportation Program (in addition to providing annual operating grants) provides municipalities operating a handi-transit system a one-time capital grant of 50% of the net cost to purchase a handivan to a maximum of $10.0.

## 5(b) Financial Assistance to Other Municipalities

| Expenditures by Sub-appropriation | Actual 2003/04 $ | Estimate 2003/04 FTE | Estimate 2003/04 $ | Variance Over/(Under) | Expl. No. |
|---|---|---|---|---|---|
| **Operating Assistance:** | | | | | |
| Transit Grants | 1,637.0 | 0.00 | 1,649.2 | (12.2) | |
| General Support Grants | 1,125.7 | 0.00 | 1,110.4 | 15.3 | |
| Unconditional Grants – Rural Community Development | 6,220.0 | 0.00 | 6,490.0 | (270.0) | 1 |
| **Capital Assistance:** | | | | | |
| Transit Bus Purchases | 110.0 | 0.00 | 140.0 | (30.0) | |
| Total | 9,092.7 | 0.00 | 9,389.6 | (296.9) | |

***Explanation***

***1. Reflects revised 2003 VLT revenue projections.***

## Capital Assistance

**Transferred Programs**

Sewer and Water Programs and Conservation District Grants were transferred to the Department of Water Stewardship. Infrastructure Development funding was transferred to the Department of Agriculture, Food and Rural Initiatives.

## Grants to Municipalities in Lieu of Taxes

Grant in lieu of taxes on land exempt from municipal taxation is paid to municipalities for services extended to provincial lands contained within local government boundaries. A grant, equivalent to school and municipal taxes, is paid on all provincial properties except those that are exempt. Exempt properties include public highways, provincial waterways and land in provincial park or recreation areas.

| | GRANTS IN LIEU PAID | |
|---|---|---|
| | 2002/03($) | 2003/04($) |
| RMs | 2,071.7 | 2,137.8 |
| Villages | 35.1 | 35.8 |
| Towns | 959.5 | 993.8 |
| LGDs | 9.7 | 10.4 |
| Cities (excluding Winnipeg) | 2,628.7 | 2,723.3 |
| City of Winnipeg | 8,226.8 | 8,320.4 |
| Northern Affairs | 141.6 | 141.4 |
| Agricultural Refunds | (19.7) | (27.6) |
| Municipalities and Northern Communities | 14,053.4 | 14,335.3 |

## 5(c) Grants to Municipalities in Lieu of Taxes

| Expenditures by Sub-appropriation | Actual 2003/04 $ | Estimate 2003/04 FTE | Estimate 2003/04 $ | Variance Over/(Under) | Expl. No. |
|---|---|---|---|---|---|
| Grants | 14,335.3 | 0.00 | 14,594.4 | (259.1) | |
| Recoverable | (14,417.7) | 0.00 | (14,417.7) | 0.0 | |
| TOTAL | (82.4) | 0.00 | 176.7 | (259.1) | |

## Recoverable From Urban and Rural Economic Development Initiatives

This Program provides for the partial recovery of operating and capital expenditures related to the Mobility Disadvantaged Transit Program from the Rural Economic Development Initiatives Program. Provides for the recovery of expenditures related to the Dutch Elm Program from the Urban Development Initiatives Program.

### 5(d) Recoverable From Urban and Rural Economic Development Initiatives

| Expenditures by Sub-appropriation | Actual 2003/04 $ | Estimate 2003/04 FTE | Estimate 2003/04 $ | Variance Over/(Under) | Expl. No. |
|---|---|---|---|---|---|
| Recoverable | (1,012.8) | 0.00 | (1,055.0) | 42.2 | |

Recoveries from the Rural Economic Development Initiatives Program relating to Sewer and Water and Conservation Districts were transferred to the Department of Water Stewardship. Recoveries relating to Infrastructure Development were transferred to the Department of Agriculture, Food and Rural Initiatives.

# Canada-Manitoba Agreements

## Canada-Manitoba Infrastructure Secretariat

The Canada-Manitoba Infrastructure Secretariat administers infrastructure and economic development federal-provincial cost-shared programs supportive of the Department's mandate:

- The ***Canada-Manitoba Infrastructure Program (CMIP)*** provides capital contributions to enhance local infrastructure and thereby strengthens the foundations of local government; and
- The ***Canada-Manitoba Economic Development Partnership Agreement (EDPA)*** strategically partnered with stakeholders to enhance community and economic development opportunities throughout the Province.
- The new Canada-Manitoba Economic Partnership Agreement (EPA) will further strengthen and diversify Manitoba's economy, build on existing economic strengths, enhance the skills of Manitoba's workforce and promote regional development in accordance with two strategic priorities: ***Building our Economy*** and ***Sustainable Communities.***

With these programs, the activities of the Secretariat are in line with the primary roles of the Department – direct service delivery to local governments and co-ordinating federal-provincial program delivery in conjunction with local communities.

### Principal Activities in 2003/2004

Staffed with federal and provincial officials, the joint Secretariat minimizes overlap and duplication in federal-provincial program delivery and contributes to a co-operative federal-provincial relationship. The primary responsibility is delivery of the Canada-Manitoba Infrastructure Program:

- Providing program support to both the federal and provincial Ministers responsible for Infrastructure.
- Managing the local application intake, review, and approval process.
- Overseeing the environmental assessment of projects.
- Facilitating the local government consultative process.
- Administering funding contributions to local government infrastructure projects.
- Co-ordinating public information activities.

As mentioned, the Secretariat is also responsible for provincial EDPA and EPA delivery. Unlike CMIP, federal and provincial EDPA and EPA delivery are administered separately by respective governments.

The cost-shared agreements are the main vehicles of major federal and provincial funding support to infrastructure and economic development projects throughout the Province.

### Highlights in 2003/2004

For further information relating to CMIP and EDPA 2003/04 highlights and project approvals, refer to the separate Annual Reports published for each.

## Canada-Manitoba Infrastructure Program (CMIP)

Launched in October 2000, CMIP is injecting over $180 million into Manitoba's urban, rural and northern municipal infrastructure over a six-year period. Through the construction, renewal, expansion or material enhancement of infrastructure throughout Manitoba, the program is improving the quality of life for all citizens and building the foundation for sustained long-term economic growth in the 21st century.

The program continues a history of collaboration and partnership amongst Canada, Manitoba, and local communities on enhancements to infrastructure.

CMIP objectives are to improve the quality of life of Canadians through investments that:

- Enhance the quality of Canada's environment.
- Support long-term economic growth.
- Improve community infrastructure.
- Build 21st century infrastructure through best technologies, new approaches and best practices.

The **primary investment focus** is green municipal infrastructure. This includes projects that will protect and/or enhance the quality of the environment, such as water and wastewater systems, water management, solid waste management and recycling, and capital expenditures to retrofit or improve the energy efficiency of buildings and facilities owned by local governments.

The **secondary focus** is other local infrastructure, including local transportation infrastructure, cultural and recreational infrastructure, infrastructure supporting tourism, rural and remote telecommunications, high-speed Internet access for local public institutions, and affordable housing.

Manitoba's Infrastructure Program is characterized by good, co-operative federal-provincial relations at both the elected and officials level, as well as a positive consultative process in project selection with local governments through Winnipeg City Council, the Association of Manitoba Municipalities (AMM), and the Northern Association of Community Councils (NACC).

### 6(a) Canada-Manitoba Infrastructure Program

| Expenditures by Sub-appropriation | Actual 2003/04 $ | FTE | Estimate 2003/04 $ | Variance Over/(Under) | Expl. No. |
|---|---|---|---|---|---|
| Infrastructure Agreement | 16,050.0 | 6.00 | 16,636.9 | (586.9) | |

## Canada-Manitoba Economic Development Partnership Agreement (EDPA)

Consisting of matching federal and provincial contributions, the Canada-Manitoba Economic Development Partnership Agreement was a five-year, $40 million program which ended March 31, 2004. The objective of EDPA was to promote greater federal-provincial co-operation in Manitoba's economic development through strategic investments with other interested stakeholders. Since the Program was announced in 1998, some 50 projects were funded throughout Manitoba, levering potential expenditures from all partners of over $141 million. Strategic priorities were:

- Business Development
- Regional Innovation
- Regional Strategic Priorities
- Innovative Economic Development Studies.

A separate Annual Report on the Canada-Manitoba Economic Development Partnership Agreement is prepared each fiscal year.

### 6(b) Canada-Manitoba Economic Development Partnership Agreement

| Expenditures by Sub-appropriation | Actual 2003/04 $ | FTE | Estimate 2003/04 $ | Variance Over/(Under) | Expl. No. |
|---|---|---|---|---|---|
| Economic Development Partnership Agreement | 1,497.0 | 0.00 | 1,409.8 | 87.2 | |

## Canada-Manitoba Economic Partnership Agreement (EPA)

Under the Canada-Manitoba Economic Partnership Agreement, the governments of Canada and Manitoba are working together and in partnership with community stakeholders on two strategic priorities – ***Building our Economy*** and ***Sustainable Communities*** – to enhance the skills of Manitoba workers and promote economic growth and diversification in Manitoba.

Building on existing economic strengths, Canada and Manitoba will work co-operatively through this agreement to:

- advance innovative research and development, and technology commercialization in Manitoba;
- support industry-based infrastructure, improve competitiveness and productivity, increase trade capacity, development and promotion, and foster an environment that attracts investment;
- support the development of a skilled workforce;
- increase access to knowledge-based infrastructure;
- promote local tourism and natural resource development opportunities;
- encourage the participation of all community members in the economy to enhance the viability, sustainability, and growth of communities throughout Manitoba.

This agreement, signed December 1, 2003, provides $50 million for programs and projects over five years, made up of matching contributions of $25 million each from Canada and Manitoba.

Partnered initiatives under each priority area may take the form of capital projects, pilot projects, business plan development, market-related research, innovative research, and so on.

# Urban Strategic Initiatives

## Overview

Urban Strategic Initiatives develops and implements policies and programs in support of urban revitalization, downtown renewal and community economic development in the City of Winnipeg, both provincially and in partnership with other governments and community partners. It co-ordinates overall strategic and financial assistance to the City of Winnipeg in support of sustainable infrastructure and economic development. It implements, supports and facilitates the Winnipeg Partnership Agreement. It co-ordinates and delivers neighbourhood programming under Building Communities Agreement and the Neighbourhoods Alive! Initiative, a long term, comprehensive, community-based approach to providing the residents and other stakeholders with the tools they need to rebuild vulnerable urban neighbourhoods in Winnipeg, Brandon and Thompson.

## Neighbourhoods Alive!

The Neighbourhoods Alive! (NA!) initiative supports community-driven revitalization of designated vulnerable neighbourhoods in Winnipeg (West Broadway, Spence, William Whyte, Lord Selkirk Park and Point Douglas), Brandon (City Centre) and Thompson. It provides individuals and groups in the designated neighbourhoods with the tools they require to strengthen opportunities in their communities. NA! staff is responsible for the overall co-ordination of the initiative, including direct implementation of three of the six NA! programs.

### Principal Activities in 2003/2004

- The Neighbourhoods Alive! unit administers the following three NA! programs:
- *Neighbourhood Renewal Fund:* Supports a broad range of community sponsored initiatives in the designated neighbourhoods, including projects that assist neighbourhood capacity building, stability, economic development and well-being.
- *Community Initiatives:* Supports projects that have a broad impact on Winnipeg's inner city or target specific groups across the inner city.
- *Neighbourhood Development Assistance:* Provides start-up and long-term core operating support for Neighbourhood Renewal Corporations (NRCs) that implement community economic development within neighbourhoods designated under Neighbourhoods Alive!
- Under Neighbourhoods Alive!, the Department also supports training initiatives that are developed and delivered by other departments, in partnership with community organizations and educational institutions.

### Highlights in 2003/2004

- The Neighbourhoods Alive! initiative committed over $3.0 million for 87 projects that support the revitalization of neighbourhoods in need in Winnipeg, Brandon and Thompson. Details of these projects by neighbourhood are available on the Neighbourhoods Alive! website @ www.neighbourhoodsalive.mb.ca.
- Neighbourhoods Alive! administered and monitored 138 project grants in 2003/04.
- Neighbourhoods Alive! staff continued to provide support and advice to numerous community organizations in the designated neighbourhoods and consulted and co-ordinated revitalization activities with other departments and governments.

- The Neighbourhoods Alive! website, which provides program and project information and access to a variety of planning and project development tools, was maintained and updated.

### 7(a) Neighbourhoods Alive!

| Expenditures by Sub-appropriation | Actual 2003/04 $ | Estimate 2003/04 FTE | Estimate 2003/04 $ | Variance Over/(Under) | Expl. No. |
|---|---|---|---|---|---|
| Total Salaries | 187.7 | 3.00 | 183.9 | 3.8 | |
| Total Other Expenditures | 69.0 | 0.00 | 94.8 | (25.8) | |
| Total Neighbourhood Support | 3,229.4 | 0.00 | 3,392.1 | (162.7) | |
| Less: Recoverable from Urban and Rural Economic Development Initiatives | (1,100.0) | 0.00 | (1,160.0) | 60.0 | |
| TOTAL | 2,386.1 | 3.00 | 2,510.8 | (124.7) | |

## Neighbourhood Programs

The Neighbourhood Programs Branch researches, develops, implements and co-ordinates sustainable and integrated provincial urban public policy and programs in support of neighbourhood revitalization and community economic development.

### Principal Activities in 2003/2004

The Neighbourhood Programs Branch developed and delivered neighbourhood revitalization programs and provincial urban public policy in support of neighbourhood revitalization and community economic development. The Branch liaised extensively with other provincial departments, other levels of government and key stakeholders in the community.

- The Branch continued to co-ordinate the delivery of Neighbourhoods Alive!, the Province's long-term, comprehensive and community-driven revitalization initiative that supports community development in designated vulnerable neighbourhoods in Winnipeg, Brandon and Thompson.

- The Branch continued to co-ordinate provincial implementation of the Building Communities Agreement, a five-year $14.0 million, cost-shared capital agreement with the City of Winnipeg to improve the physical condition of declining residential neighbourhoods that shoulder Winnipeg's inner city. The community-led strategic planning processes in all six of the designated neighbourhoods were completed in 2003/04, and implementation of approved projects commenced in some of the neighbourhoods.

## 7(b) Neighbourhoods Programs

| Expenditures by Sub-appropriation | Actual 2003/04 $ | Estimate 2003/04 FTE | Estimate 2003/04 $ | Variance Over/(Under) | Expl. No. |
|---|---|---|---|---|---|
| Total Salaries | 297.5 | 5.00 | 305.6 | (8.1) | |
| Total Other Expenditures | 45.1 | 0.00 | 54.0 | (8.9) | |
| TOTAL | 342.6 | 5.00 | 359.6 | (17.0) | |

## Urban Community Economic Development

The Urban Community and Economic Development Branch provides an urban redevelopment policy framework for provincial investment in strategic downtown revitalization projects and economic and community development initiatives in the City of Winnipeg, and administers Urban Development Initiatives (UDI). The Branch supports economic and community economic development initiatives within Winnipeg that enhance opportunities for developing long-term capacity and for supporting the integration of social, economic and environmental objectives.

### Principal Activities in 2003/2004

The Branch supports local organizations in strengthening their capacity to develop and deliver community economic development initiatives. It also provides financial support to a variety of organizations/programs whose activities promote the revitalization and development of the City of Winnipeg. It also administers UDI, a fund that supports projects and initiatives that enhance Winnipeg's development by providing access to capital and program assistance to community-based organizations and City of Winnipeg economic development agencies (CentreVenture Development Corporation, Destination Winnipeg, and the Winnipeg Convention Centre). The UDI funding in each fiscal year is based on 25% of the anticipated VLT revenues generated within the City of Winnipeg.

- Urban Development Initiatives provided over $19 million in funding for 45 projects and activities in support of community and economic development in Winnipeg.

- The Branch continued to work with representatives of the federal government and the City of Winnipeg towards a new tripartite community and economic development agreement for Winnipeg. The agreement will focus resources on four key priority areas: Aboriginal Participation; Building Sustainable Neighbourhoods; Downtown Renewal; and Supporting Innovation and Technology.

- The Branch established and maintained effective partnerships with both municipal and federal governments through the development and implementation of joint agreements and the co-ordination of complementary policies and programs.

## 7(c) Urban Community Economic Development

| Expenditures by Sub-appropriation | Actual 2003/04 $ | Estimate 2003/04 FTE | Estimate 2003/04 $ | Variance Over/(Under) | Expl. No. |
|---|---|---|---|---|---|
| Total Salaries | 205.1 | 5.00 | 240.2 | (35.1) | |
| Total Other Expenditures | 55.4 | 0.00 | 57.7 | (2.3) | |
| Less: Recoverable from Urban Development Initiatives | (221.6) | 0.00 | (246.2) | 24.6 | |
| TOTAL | 38.9 | 5.00 | 51.7 | (12.8) | |

## Urban Development Initiatives (UDI)

Winnipeg has one of the most diverse economies in Canada, with steady growth and a low cost of living. UDI supports projects and initiatives that enhance Winnipeg's development. It also provides program assistance to community based organizations and City of Winnipeg economic development agencies. The level of funding each fiscal year is based on 25% of the anticipated annual VLT revenues from within the City of Winnipeg. This funding is in addition to the financial support provided directly to the City of Winnipeg by Intergovernmental Affairs and Trade – Municipal Finance and Advisory Services.

## 7(d) Urban Development Initiatives

| Expenditures by Sub-appropriation | Actual 2003/04 $ | Estimate 2003/04 FTE | Estimate 2003/04 $ | Variance Over/(Under) | Expl. No. |
|---|---|---|---|---|---|
| Total Expenditures | 19,015.9 | 0.00 | 19,400.0 | (384.1) | |

# Amortization and Other Costs Related to Capital Assets

This appropriation was established to provide for the amortization of the Department of Intergovernmental Affairs and Trade capital assets.

## 13-8 Amortization and Other Costs Related to Capital Assets

| Expenditures by Sub-appropriation | Actual 2003/04 $ | Estimate 2003/04 FTE | Estimate 2003/04 $ | Variance Over/(Under) | Expl. No. |
|---|---|---|---|---|---|
| Costs Related to Capital Assets | 210.1 | 0.00 | 210.4 | (0.3) | |

# SECTION II
# TRADE AND FEDERAL-PROVINCIAL AND INTERNATIONAL RELATIONS

## Formerly

| | |
|---|---|
| Service Heading 2 | **Executive Council**<br>- Management and Administration<br>- Federal-Provincial Relations Secretariat |
| Service Heading 44 | **Advanced Education and Training**<br>- International Education |
| Service Heading 3 | **Agriculture and Food**<br>- Marketing and Farm Business Management<br>- Regional Agricultural Services, Central Region |
| Service Heading 14 | **Culture, Heritage and Tourism**<br>- Communication Services Manitoba |
| Service Heading 10 | **Industry, Trade and Mines**<br>- Manitoba Trade and Investment Marketing<br>- Manitoba Geological Survey<br>- Manitoba Office in Ottawa |

# Federal-Provincial and International Relations

The newly created Federal-Provincial and International Relations Branch is primarily comprised of transfers from the following appropriations: Management and Administration, Federal-Provincial Relations Secretariat, International Education and Communication Services Manitoba.

Federal-Provincial and International Relations provides advice and support for Manitoba's relationships with domestic and international governments and their representatives. This section was created in 2003/04 with resources transferred from seven areas of other departments.

## Federal Provincial Relations

The Office of Federal-Provincial Relations provides strategic policy advice, analysis and support in managing Manitoba's relationships with the federal government and other provincial and territorial (P/T) governments on matters of intergovernmental significance. The branch promotes Manitoba's interests in the development of interprovincial/territorial positions and policies by working with other provinces and territories, and with the Government of Canada in the development and implementation of its national policies.

A major dimension of Federal-Provincial Relations' role is to ensure a consistent corporate strategy and position is taken regarding Manitoba's priorities for action in the intergovernmental arena, as well as to ensure that members of the Government of Manitoba have adequate and timely information on the implications resulting from national and regional trends and the implementation of programs and policies by other P/T governments and by the federal government.

### Principal Activities in 2003/2004

In 2003/04, the office's activities included the following:

- Providing comprehensive and strategic briefing materials in support of meetings of Premiers with the Prime Minister, Premiers as the Council of the Federation, the Western Premiers' Conference, and a broad range of bilateral and multi-lateral meetings between the Premier and the Prime Minister, federal Ministers, and other Premiers.

- Supporting the work of the Premiers' Council on Canadian Health Awareness, which falls under the Council of the Federation, to improve Canadians' access to health information and enhance public awareness of challenges and solutions for the future of health care in each jurisdiction.

- Collaborating with other provinces and territories to support Premiers' and provincial/territorial Finance Ministers' work to advance the concern that the federal government must address the fiscal imbalances in Canada.

- Representing Manitoba on P/T and federal, provincial and territorial working groups on Canada-US Relations and the provincial/territorial role in international fora.

- Representing Manitoba at federal-provincial and interprovincial meetings and on a number of committees that prepare for major intergovernmental conferences.

- Reviewing and evaluating policy and program initiatives as they relate to intergovernmental relations and acting as a liaison in providing strategic policy advice on relations with the federal government and other provinces and territories.

- Co-ordinating interdepartmental activities on intergovernmental policies and issues.

## Highlights in 2003/2004

- Manitoba engaged in a successful, sustained and co-operative effort by a number of government departments as well as the scientific and business communities to promote Manitoba to the federal government as the best site for the location of the new federal public health agency.

- Premiers created the Council of the Federation to strengthen co-operation between provinces and territories; exercise leadership on matters of national importance to provinces and territories and on improving federal-provincial-territorial relations; promote relations between governments that respect the constitution and recognize diversity within the federation; and respect the need for transparency and better communication with Canadians.

- Early progress was made on Internal Trade, one of the Council of the Federation's initial priorities. The Council's work to advance progress on Internal Trade is co-chaired by the Premier and Premier Lord of New Brunswick and has already resulted in agreement by Ministers on including procurement by Provincial/Territorial Crown Corporations under the Procurement Chapter of the Agreement on Internal Trade (AIT).

- Premiers' collaborative efforts resulted in agreement from the Prime Minister to convene annual First Ministers' meetings, with jointly-determined agendas.

- At the September 2003 Western Governors' Association Meeting in Big Sky, Montana, the Premiers of western provinces/territories and Governors of the western states, led by the Premier and Idaho Governor Dirk Kempthorne, signed a co-operation agreement to enhance cross-border co-ordination of forest fire fighting, including sharing and co-ordination of fire fighting resources, joint training and prompt initial response.

- Co-ordinated efforts to negotiate the Red River Floodway Contribution Agreement to expand the Red River Floodway. This is the largest federal contribution to a single infrastructure project in Manitoba's history.

- Premier Doer signed a Memorandum of Understanding with Ontario to examine the feasibility of a joint hydro project that would develop a generating station on the Nelson River and an East-West transmission line between the 2 provinces.

## Canada-US and International Relations

The Canada-US and International Relations branch was created following the November 2003 restructuring of the Government of Manitoba's international activities, placing many key components that had been housed in various ministries into the Department of Intergovernmental Affairs and Trade.

The Canada-US and International Relations branch provides strategic policy advice, analysis and support in managing Manitoba's relationships with the United States and other international jurisdictions. The branch is responsible for co-ordinating a corporate approach to advancing and promoting Manitoba's interests and for fostering, maintaining and strengthening strategic partnerships for Manitoba in the US, internationally, and with federal departments involved with international activities. The branch also co-ordinates and facilitates Manitoba's involvement in international development through the International Projects Initiative and is responsible for the implementation of the Ambassadors' Program.

## Principal Activities in 2003/2004

### Corporate Co-ordination

Canada-US and International Relations works in concert with other departments to ensure a corporate and strategic approach to the province's international activities. It ensures co-operation, communication and co-ordination within Government of Manitoba departments, other international governments and agencies, and the federal government.

### International Projects Initiative

The International Projects Initiative (IPI) was started in 2001 to assist Manitoba companies and organizations to pursue projects financed by the Canadian International Development Agency (CIDA) and International Financial Institutions (IFIs) such as the World Bank, the Inter-American Development Bank, the Asian Development Bank, the European Bank for Reconstruction & Development, the African Development Bank and the Caribbean Development Bank. The International Projects Initiative identifies Manitoba's niche capabilities and develops alliances/consortia and public/private partnerships around these capabilities to maximize success rates in bidding for international projects. This unit assists the Manitoba private sector to make successful international connections by building upon the many government-to-government relationships that Manitoba has nurtured and supplements private sector capabilities with expertise that already exists within the Government of Manitoba. The unit also works with the IFIs to promote Manitoba's capabilities and to identify financial programs and facilities for international projects. The Initiative brings CIDA and IFI speakers to Manitoba to meet with Manitoba companies and organizations.

## Highlights in 2003/2004

The achievements for 2003/04 by the Canada-US and International Relations branch include:

- Provided briefing materials and strategic support to missions to the US and international destinations, as well as briefing materials for incoming missions;
- Supported the participation of Manitoba in regional intergovernmental fora such as the Western Governors' Association, the Legislators' Forum, and the North American Superhighway Coalition;
- Supported projects related to the international activities of the Province, including the twining relationship that exists between Manitoba and the North West Province of South Africa. The Branch also assisted in the development of two Memoranda of Understanding with the North West Province to increase co-operation in economic development, which were signed during March 2004 mission.
- Continued to develop the International Project Initiative to support Manitoba companies' access to international development work. The following seminars were held:
    - World Bank, Inter-American Development Bank, CIDA Contracting (April 2003): 60 participants
    - European Bank for Reconstruction & Development (June 2003): 30 Participants
    - Effective Bidding Workshop (October 2003) : 22 Participants
    - African Development Bank and CIDA Private Sector Division (November 2003): 50 participants
    - United Nations Seminar (February 2004): 25 Participants

  Led by the IPI, four companies of the Energy Services Alliance of Manitoba visited the World Bank and Inter-American Development Bank along with companies from Alberta and Saskatchewan. Short-term consulting contracts with the World Bank have been won valued at C$300,000.

Prepared almost 50 International Development Opportunity Reports (IDORs) for Manitoba companies and organizations. These reports provide details on upcoming projects and procurement notices for projects being implemented by all of the IFIs for a wide range of sectors of activity, including energy, public sector reform, environment, population, private sector development, and education & training.

At an inaugural meeting in Washington in March 2004, the World Bank launched the Private Sector Liaison Officer (PSLO) Network for Canada. The International Projects Initiative has been selected by the World Bank to be the PSLO in Manitoba.

## International Education

The International Education Branch (IEB) was formed to promote global awareness/competency and increase the cross-cultural exposure of Manitobans through mutually beneficial international educational interchanges; maximize the benefits of international education to the Manitoba economy; encourage a holistic approach to international education that engages all levels of education, all stakeholders, all fields of study/training, and all regions of Manitoba; and enhance international recognition of Manitoba as an excellent source of high quality, affordable education and training programs, services, and products.

The branch continues to serve as a first point of contact for international education matters, develop international education policy, and respond to inquiries and requests from international students, agents, and institutional partners. The branch also liaises with institutions and organizations to co-ordinate recruitment, offer marketing assistance, and develop partnership strategies for the export of education services and products.

Interim international student enrollments for 2003/04 show that there was an overall year-to-year increase of 25% across the education sector. This is impressive growth that is strong across all sub-sectors within education. The increase will probably push the estimated economic impact from these students above $50 million.

### Highlights in 2003/2004

The most significant achievement for 2003/04 was the signing of an agreement with Citizenship and Immigration Canada and Manitoba public post-secondary institutions allowing international students to work off-campus under certain conditions. Manitoba is one of three provinces to have signed pilot-project agreements with CIC and the first to sign an agreement for off-campus employment. This is expected to attract more international students to Manitoba and serve as a template for national implementation.

**Marketing and Promotions**

The IEB continues to promote Manitoba as a provider of affordable and high-quality education services. A "transition brochure" which shows international students how they can progress through the Manitoba system was recently added to the existing complement of printed materials. Web site development continues and will be a key promotional tool to be launched in fall 2004. Overseas advertising is being used to assist with marketing efforts, largely in India and Germany.

The two main targets for market development for 2004/05 are Germany (at the secondary level) and India (at the post secondary level). Market research is being undertaken in Germany to culminate in presentations by Manitoba educational institutions to German educational representatives. A number of innovative marketing strategies are being assessed for India that are designed to connect Manitoba representatives directly with Indian students who have both the academic and financial preparation to study in Manitoba. The IEB will continue researching the potential for other emerging markets while supporting institutional efforts in established markets such as China, Mexico, Korea and the like.

**International Co-operation**
The branch continues to work on international co-operation related to education. A significant shipment of new textbooks no longer used in Manitoba were sent to North West Province in South Africa in conjunction with the province's twinning agreement. Opportunities for international co-operation will continue to be identified and presented to Manitoba institutions. Possibilities for direct government co-operation in the area of innovative curriculum development and delivery are currently being examined.

**Missions and Visits**
In September and October 2003, the Director visited Germany (as part of a mission to ratify an ongoing secondary exchange program and to investigate student recruitment opportunities), the Netherlands (regarding student recruitment in Northern Europe), UAE (to participate in an education fair), India (to research recruitment and contract training opportunities) and Bangladesh (to investigate recruitment and contract training opportunities). The Director also attended an education fair in Vancouver targeted at secondary or ESL students who were considering pursuing post-secondary education in other parts of the country.

The branch worked with the Manitoba Council for International Education to organize promotional events in conjunction with the Canadian Education Centre Network's Annual Conference held in Winnipeg in November 2003. During 2003/04, the IEB met with visiting representatives from eight different countries in addition to organizing the education components for delegations from Jalisco and South Africa.

**Capacity Building**
IEB efforts to build provincial capacity to grow and develop the international education sector continue. Several presentations and meetings have taken place with Manitoba educational representatives in an effort to provide information on how to enter the international education field. It is expected that two to three more school divisions will establish international education programs over the next year. Work on expanding institutional capacity proceeds through professional development sessions designed to develop expertise in the field. Finally, the International Education Incentive Loan Fund is expected to receive further applications from institutions seeking to expand their involvement in international education.

**Sustainable Development Activities**
In addition to work in community economic development through international education, the branch established a formal sustainable development action plan largely focused around administrative activities. Actions taken have resulted in the more complete use of paper resources, decreased use of disposable cups and cutlery, an increasing movement toward the electronic transmission of documents, and greater use of locally based service providers when practicable.

## Federal-Provincial and International Relations

| Expenditures by Sub-appropriation | Actual 2003/04 $ | Estimate 2003/04 FTE | Estimate 2003/04 $ | Variance Over/(Under) | Expl. No. |
|---|---|---|---|---|---|
| 02-1(b) Management and Administration | | | | | |
| Total Salaries | 59.3 | 1.00 | 61.2 | (1.9) | |
| 02-1(c) Federal-Provincial Relations Secretariat | | | | | |
| Total Salaries | 297.7 | 5.00 | 373.9 | (76.2) | |
| Total Other Expenditures | 140.1 | | 81.6 | 58.5 | |
| 03-4(a) Marketing and Farm Business Management | | | | | |
| Total Salaries | 24.4 | 1.00 | 28.6 | (4.2) | |
| 03-5(c) Central Region | | | | | |
| Total Salaries | 6.0 | 1.00 | 29.6 | (23.6) | |
| 10-2(b) Manitoba Trade and Investment Marketing | | | | | |
| Total Salaries | 300.7 | 3.00 | 253.1 | 47.6 | |
| Total Other Expenditures | 78.1 | | 93.7 | (15.6) | |
| 44-4(b) International Education | | | | | |
| Total Salaries | 53.4 | 2.00 | 126.0 | (72.6) | |
| Total Other Expenditures | 338.1 | | 283.7 | 54.4 | |
| 14-3(a) Communication Services Manitoba | | | | | |
| Total Salaries | 90.2 | 1.00 | 92.7 | (2.5) | |
| TOTAL | 1,388.0 | 14.00 | 1,424.1 | (36.1) | |

# Manitoba Trade

The newly created Manitoba Trade Branch is comprised of transfers from the following appropriations: Marketing and Farm Business Management, Manitoba Trade and Investment Marketing, and Manitoba Geological Survey.

## Objectives

Manitoba Trade supports Manitoba businesses to become export-capable and to diversify in international markets by delivering targeted programs and services. It also promotes Manitoba investment opportunities to increase inward investment and employment. This section was created in 2003/04 with resources transferred from four areas of other departments.

The Policy, Planning and Co-ordination Branch of the Department of Industry, Economic Development and Mines provides analytical, advisory and research support services to the Department of Intergovernmental Affairs and Trade. This includes undertaking analysis of policy issues, providing critical information and working closely with other partners to promote economic development in Manitoba.

### Principal Activities in 2003/2004

Manitoba Trade and Investment provides a variety of services, summarized in the following chart.

**Summary of Services**

| General Information | Skills Development | Export Counselling | Market Entry Support | In-market Assistance |
|---|---|---|---|---|
| Toll-free export information service | Export preparation guide | Export-readiness assessment | Market information and informational sessions | Market prospects |
| Website | Export skills training | Market readiness assessment | Trade fairs/shows | Key contacts search |
| Newsletters | Preparation for U.S. market | Export plan development | Trade missions | Visit information |
| General seminars | Preparation for other markets | Export plan implementation | Partner identification | Direct contacts |
| | | | Market intelligence | Local company information |
| | | | Advocacy | Troubleshooting |
| | | | Reverse trade shows, incoming missions | Government and business liaison |
| | | | Trade show support (TAP) | |
| | | | Identification of country opportunities for International Projects | |

**Agriculture Marketing**
In November 2003, trade staff and related programs from Manitoba Agriculture and Food were amalgamated with Manitoba Trade and Investment. The Agriculture section provides international marketing assistance to buyers and sellers of Manitoba's agriculture and food products. Through the co-ordination of trade activities, including the provision of logistical support and network contacts, the Agriculture Section employs a comprehensive approach to export market development.

Several significant projects were undertaken through the year. Among these were three incoming business missions from the Far East and a governor-led mission from Jalisco, Mexico, in August 2003, to further explore opportunities identified in a mission the previous March. In addition, ongoing development of the website highlighted emergent food-processing and other opportunities for Manitoba companies in targeted world markets.

**Asia and Europe**
Asia-Pacific - Manitoba exports to the Asia-Pacific region were $908 million in 2003, a decrease of $43 million from the previous year. Decreased shipments were primarily to Japan. Exports of meat of swine decreased from $181 million to $125 million, and wheat from $84 million to $59 million. Japan, China/Hong Kong, and Australia are Manitoba's primary target markets within the region.

Australia - Australia is now Manitoba's eighth-largest export market with exports of $55 million. The bulk of Manitoba's exports to Australia were value-added goods. In August 2003, Manitoba Trade attended the AusBiotech show and conference in Adelaide, Australia.

China/Hong Kong - As Manitoba's third-largest regional export market, exports to China/Hong Kong of $252 million in 2003 reflected an increase of 35%, compared to $186 million in 2002. The increase in exports was in all sectors, with nickel and canola leading.

In fiscal 2003/04, Manitoba Trade participated in the following:
- Beijing, China-Canada Business Council Conference in November 2003, with follow-up meetings in Anhui Province and Shanghai on opportunities discussed during a ministerial business mission in 2002/03
- 12 visits from incoming government and business representatives from China, who met with Manitoba firms and departments to initiate trade and investment opportunities
- incoming visit by Manitoba Trade's foreign trade representative in China, who met and consulted with 90 firms/organizations in May 2003 and February 2004

Japan - Japan continued to be Manitoba's second-largest market, with exports totalling $393 million in 2003, a decrease of 17.3% from 2002, with agricultural products predominant. The decrease in exports was led by a drop of $56 million in pork products and a drop of $25 million in wheat.

In fiscal 2003/04, Manitoba Trade participated in or organized:
- four incoming visits by Senior Trade Advisors from the Japan External Trade Organization and meetings with local firms interested in pursuing this market
- a Manitoba company's first visit to five potential customers in Japan
- a trade and investment presentation to business people in Sapporo, Japan, about Manitoba's capabilities
- meetings with Japanese representatives of Manitoba companies and Canadian trade officials in Sapporo and Tokyo, to promote and identify other potential export opportunities

Other Asia-Pacific Markets - In fiscal 2003/04, Manitoba Trade participated in two incoming delegations from the Philippines.

Western Europe - Manitoba exports to Western Europe in 2003 were $369 million, an increase of $27 million from 2002. Wheat exports increased by $37 million to $88 million and leguminous vegetables increased by $20 million to $49.7 million.

In fiscal 2003/04, Manitoba Trade participated in or organized:

- incoming visit by Manitoba Trade's foreign trade representative in Europe, who met and consulted with 36 firms and organizations in May 2003, and 27 in November 2003
- nine visits from incoming government trade representatives from Europe, who met with Manitoba firms and departments to initiate business
- a delegation of 10 participants from six Manitoba agri-food companies to ANUGA, the largest European food show, in Cologne, Germany
- a delegation of 10 representatives from six companies and one industry association to the MIDEM event in France in January 2004, the largest international trade show for the sound and recording industry
- the participation of two Manitoba firms in the province's first exhibition at BioFach 2004, Germany, the largest organic food show

**Mexico and Emerging Markets**

Mexico - Manitoba's exports to Mexico in 2003 totalled $159.7 million, up 7.9% from 2002. Exports to Mexico represented 1.8% of total Manitoba exports in 2003, up from 1.6% in 2002. From 1999 to 2003, Manitoba's exports to Mexico grew by 51.4%.

In fiscal 2003/04, Manitoba Trade organized six incoming missions from Mexico, resulting in more than 50 business engagements with Manitoba's business community. Among the most prominent activities were:

- a 54-person incoming business delegation in August 2003, led by the Governor of the State of Jalisco, that culminated in strengthened bilateral relations in trade and economic development, education, agriculture, healthcare, forestry and conservation
- a business mission to Mexico City in February 2004, led by the Honourable MaryAnn Mihychuk, to participate in Latin America's largest information and communication technology trade show

South America - In fiscal 2003/04, Manitoba Trade organized the following activities with Chile and Peru:

- a Samples Trade Show and business mission to Santiago, Chile, in April 2003, in which 15 Manitoba companies were introduced to the Chilean market
- continued negotiations and contact with eight companies to promote distribution, representation and sales in Chile
- assisted three companies to have formal agreements with Chilean business partners and five firms to make their first sale to Chile
- consultations with a number of officials, such as the Canadian Consulate officer from Columbia
- a business mission to Arequipa, Peru, to assess and prepare for a mining mission to the international EXTEMIN trade show in September 2005, and to introduce Manitoba companies to the chambers and Canadian Consulate

Caribbean - In fiscal 2003/04, Manitoba Trade organized the following activities in the Caribbean:

- consultations with a number of officials, such as the High Commission for Trinidad and Tobago
- several business missions to Cuba, including a 10-person delegation from Manitoba Pulse Growers to Havana and rural areas for in-depth meetings with buyers and farm and processing tours
- development of projects in the Dominican Republic for Manitoba companies, including a $.8 million vermicomposting community initiative

Middle East and India - In 2003/04, 63 Manitoba companies were introduced to emerging opportunities in new Middle East markets. To date, 20 companies are now doing business in these markets, with identified opportunities in canola oil processing, exotic bird farming, and grain storage facilities. Seven business missions visited Manitoba in 2003/04, from Egypt, Iran, Israel and Dubai. An outgoing mission was organized to India and the United Arab Emirates.

South Africa - In 2003/04, Manitoba Trade received four incoming business missions from South Africa, to explore export opportunities for Manitoba companies, particularly in the North West Province of South Africa. A trade mission of nine companies to the Invest North West Conference resulted in the signing of two

Agreements of Co-operation between Manitoba and the North West Province. Other activities supported the exchange of information on cultural, agricultural and governance matters.

**U.S. and Trade Operations**
The U.S. continued to be Manitoba's largest export market with 78.4% of its merchandise exports destined for the United States. In addition, 82% of merchandise imports received by Manitoba were from the United States.

In fiscal 2003/04, Manitoba Trade participated in 10 outgoing trade missions, including one Premier-led multi-sectoral mission to Chicago and Atlanta.

The Trade Assistance Program provided cost-shared assistance to encourage Manitoba companies to develop new market opportunities outside the Province. In 2003/04, the Trade Assistance Program helped 58 companies to participate in trade shows.

Priority sectors included food and beverage processing, building products, original equipment manufacturers and sub-components/agricultural equipment, life sciences, knowledge-based industries and exportable services.

**Canada-Manitoba Memorandum of Understanding on International Business Development**
Economic development is a co-operative effort, and Manitoba Trade encourages and facilitates co-operation with other provincial, federal and civic economic development agencies. A key example is the high level of co-operation between the Province and the federal government arising from a Memorandum of Understanding (MOU), renewed in April 2000, to promote international business development.

**Foreign Trade Representatives**
In 2003/04, Manitoba Trade retained four part-time foreign trade representatives in target markets. The representatives, located in Chile, China, Europe and Mexico, were responsible for identifying export opportunities for Manitoba companies in their respective target market. In 2003/04, the foreign trade representatives were involved with $5.4 million in sales, and the identification of an additional $8.3 million in potential sales.

## Manitoba Trade

| Expenditures by Sub-appropriation | Actual 2003/04 $ | Estimate 2003/04 FTE | Estimate 2003/04 $ | Variance Over/(Under) | Expl. No. |
|---|---|---|---|---|---|
| 03-4(a) Marketing and Farm Business Management | | | | | |
| Total Salaries | 150.2 | 2.00 | 177.1 | (26.9) | |
| Total Other Expenditures | 181.4 | | 240.0 | (58.6) | |
| 10-2(b) Manitoba Trade and Investment Marketing | | | | | |
| Total Salaries | 1,111.1 | 16.00 | 1,030.8 | 80.3 | |
| Total Other Expenditures | 366.0 | | 650.1 | (284.1) | |
| 10-3(a) Manitoba Geological Survey | | | | | |
| Total Salaries | 0.0 | 1.00 | 41.8 | (41.8) | |
| TOTAL | 1,808.7 | 19.00 | 2,139.8 | (331.1) | |

# Manitoba Office in Ottawa

## Objectives

The overall objective of the Ottawa Office is to assist the Manitoba government and its agencies, Manitoba firms, communities, organizations and individuals in dealing with the federal authorities and in developing business. Critical activities in providing such assistance include the gathering and dissemination of information; representation of Manitoba's interests, and monitoring of federal actions and intentions on a range of issues including procurement.

Manitoba continues to be particularly susceptible to changes in federal transfers to the Provinces, which account for almost 35% of Manitoba's yearly revenues. Transfers to individuals add to the importance of the federal government to Manitoba. Public Works and Government Services Canada bought approximately $8 billion during 2003 in Canada, which represented 65% of total departmental purchases. The Department of National Defence's capital and acquisition spending is approximately $5 billion each year. The federal government is the second largest employer in Manitoba after the provincial government. The presence of numerous other provincial/territorial offices in Ottawa demonstrates that we are not alone in the belief that representation in Ottawa is important in furthering provincial interests. In fact, the Manitoba Office, established in January, 1990, recently entered into a co-location agreement with the province of New Brunswick.

### Principal Activities in 2003/2004

***Information Gathering/Dissemination***: The Office maintains regular contact with a network of Ottawa-based bureaucrats, lobbyists, political staff and business people in an effort to keep abreast of any developments emanating from Ottawa which effect or potentially effect, interests in Manitoba. Examples of results from this activity include provision of a Media Review, Federal/Provincial Balance Sheets, analysis of Estimates of key federal departments and monitoring legislation and reporting on hearings of parliamentary committees.

***Representation/Lobbying***: The Office acts as Manitoba's continuing representative in Ottawa and our presence is felt at all levels of the federal government. It provides logistical arrangements for Manitoba lobby efforts and trade missions. Manitoba Office staff also provide a useful and money saving function by attending, on behalf of Manitoba government departments, various federal/provincial meetings where the agenda or duration does not justify specialists travelling from Manitoba, but where Manitoba's continued involvement is considered necessary. During fiscal year 2003/04, the Office attended over 15 such meetings. The Office also accompanies visiting Manitoba companies on calls to federal officials and provides office facilities where required to visiting Manitobans.

***Procurement:*** While the procurement function involves some lobbying, the primary focus is on monitoring the progress and potential of specific purchases by the federal government. Activities include contact and liaison with federal officials, potential prime contractors, first tier subcontractors, Ottawa-based lobbyists, and most importantly, Manitoba industry. The capabilities of Manitoba suppliers are communicated to all parties involved in the procurement and the general direction for the contract is ascertained and communicated to relevant companies and appropriate Manitoba government officials. Specific complaints are also handled and in some cases resolved to the satisfaction of the Manitoba company. Even when not fully successful, such problems are less likely to re-occur after such consultation or intervention.

## 10(1e) Manitoba Office in Ottawa

| Expenditures by Sub-appropriation | Actual 2003/04 $ | Estimate 2003/04 FTE | Estimate 2003/04 $ | Variance Over/(Under) | Expl. No. |
|---|---|---|---|---|---|
| Total Salaries | 124.0 | 2.00 | 124.6 | (0.6) | |
| Total Other Expenditures | 69.8 | 0.00 | 82.2 | (12.4) | |
| TOTAL | 193.8 | 2.00 | 206.8 | (13.0) | |

# Financial Information Section

## Reconciliation Statement

| Details | 2003/04 Estimates $ |
|---|---|
| Printed Estimates of Expenditure 2003/04 – Intergovernmental Affairs | 145,768.0 |
| Transfer of functions from: | |
| - Executive Council | 485.1 |
| - Advanced Education and Training | 406.3 |
| - Agriculture, Food and Rural Initiatives | 468.1 |
| - Culture, Heritage and Tourism | 90.2 |
| - Industry, Economic Development and Mines | 2,231.7 |
| Transfer of functions to: | |
| - Agriculture, Food and Rural Initiatives | (18,526.2) |
| - Water Stewardship | (14,568.1) |
| Main Estimates Authority Transferred from: | |
| - Enabling Appropriations re: 2003/04 General Salary Increase | 473.8 |
| Main Estimates Authority Transferred from: | |
| - Enabling Appropriations | 3,575.9 |
| Estimates of Expenditure 2003/04 (Adjusted) | 120,404.8 |

## DEPARTMENT OF INTERGOVERNMENTAL AFFAIRS AND TRADE

## EXPENDITURE SUMMARY

**For the fiscal year ended March 31, 2004 with comparative figures for the previous fiscal year.**

### SECTION I – INTERGOVERNMENTAL AFFAIRS

| ESTIMATE 2003/04 | | APPROPRIATION | ACTUAL 2003/04 | ACTUAL 2002/03 | INCREASE (DECREASE) | EXPLANATION NUMBER |
|---|---|---|---|---|---|---|
| | 13-1 | **ADMINISTRATION AND FINANCE** | | | | |
| $29.0 | (a) | Minister's Salary | 18.4 | 28.3 | (9.9) | |
| | (b) | Executive Support | | | | |
| 531.1 | | 1 Salaries | 459.2 | 432.3 | 26.9 | |
| 83.0 | | 2 Other Expenditures | 79.9 | 82.8 | (2.9) | |
| | (c) | Brandon Office | | | | |
| 161.4 | | 1 Salaries | 103.3 | 100.6 | 2.7 | |
| 55.0 | | 2 Other Expenditures | 47.7 | 52.6 | (4.9) | |
| | (d) | Human Resource Management | | | | |
| 149.4 | | 1 Salaries | 127.4 | 117.8 | 9.6 | |
| 27.2 | | 2 Other Expenditures | 27.2 | 27.3 | (0.1) | |
| | (e) | Financial and Administrative Services | | | | |
| 452.2 | | 1 Salaries | 421.7 | 424.0 | (2.3) | |
| 193.7 | | 2 Other Expenditures | 171.0 | 146.6 | 24.4 | |
| | (f) | Municipal Board | | | | |
| 811.1 | | 1 Salaries | 606.3 | 651.8 | (45.5) | |
| 273.6 | | 2 Other Expenditures | 228.5 | 267.6 | (39.1) | |
| 2,766.7 | | TOTAL 13-1 | 2,290.6 | 2,331.7 | (41.1) | |

## EXPENDITURE SUMMARY

**For the fiscal year ended March 31, 2004 with comparative figures for the previous fiscal year.**

| ESTIMATE 2003/04 | | APPROPRIATION | ACTUAL 2003/04 | ACTUAL 2002/03 | INCREASE (DECREASE) | EXPLANATION NUMBER |
|---|---|---|---|---|---|---|
| | 13-2 | **COMMUNITY AND LAND USE PLANNING SERVICES** | | | | |
| | (a) | Executive Administration | | | | |
| 274.4 | | 1 Salaries | 290.9 | 140.5 | 150.4 | |
| 30.6 | | 2 Other Expenditures | 29.4 | 22.0 | 7.4 | |
| | (b) | Provincial Planning Services | | | | |
| 498.2 | | 1 Salaries | 489.8 | 448.9 | 40.9 | |
| 335.1 | | 2 Other Expenditures | 190.7 | 149.2 | 41.5 | |
| (314.6) | | 3 Less: Recoverable from Urban and Rural Economic Development Initiatives | (206.3) | (191.5) | (14.8) | |
| | (c) | Community Planning Services | | | | |
| 2,814.5 | | 1 Salaries | 2,698.1 | 2,546.1 | 152.0 | |
| 966.5 | | 2 Other Expenditures | 769.5 | 814.9 | (45.4) | |
| (544.6) | | 3 Less: Recoverable from Rural Economic Development Initiatives | (303.9) | (376.4) | 72.5 | |
| 4,060.1 | | TOTAL 13-2 | 3,958.2 | 3,553.7 | 404.5 | |

## DEPARTMENT OF INTERGOVERNMENTAL AFFAIRS AND TRADE

## EXPENDITURE SUMMARY

**For the fiscal year ended March 31, 2004 with comparative figures for the previous fiscal year.**

| ESTIMATE 2003/04 | | APPROPRIATION | ACTUAL 2003/04 | ACTUAL 2002/03 | INCREASE (DECREASE) | EXPLANATION NUMBER |
|---|---|---|---|---|---|---|
| | 13-3 | **PROVINCIAL – MUNICIPAL SUPPORT SERVICES** | | | | |
| | (a) | Executive Administration | | | | |
| 134.9 | | 1 Salaries | 133.3 | 108.7 | 24.6 | |
| 30.6 | | 2 Other Expenditures | 29.3 | 37.2 | (7.9) | |
| | (b) | Assessment Services | | | | |
| 6,587.7 | | 1 Salaries | 6,288.8 | 6,107.9 | 180.9 | |
| 1,638.0 | | 2 Other Expenditures | 1,435.9 | 1,430.7 | 5.2 | |
| (2,056.4) | | 3 Less: Recoverable from Education, Training and Youth | (2,008.0) | (1,997.2) | (10.8) | |
| | (c) | Municipal Finance and Advisory Services | | | | |
| 1,196.4 | | 1 Salaries | 982.7 | 1,043.4 | (60.7) | |
| 381.7 | | 2 Other Expenditures | 393.2 | 419.0 | (25.8) | |
| (109.7) | | 3 Less: Recoverable from Urban Development Initiatives | (109.7) | (109.7) | 0.0 | |
| | (d) | Information Systems | | | | |
| 886.5 | | 1 Salaries | 871.0 | 880.6 | (9.6) | |
| 1,405.5 | | 2 Other Expenditures | 1,391.9 | 1,199.7 | 192.2 | |
| (416.2) | | 3 Less: Recoverable from Education, Training and Youth | (412.6) | (427.6) | 15.0 | |
| 9,679.0 | | TOTAL 13-3 | 8,995.8 | 8,692.7 | 303.1 | |

## EXPENDITURE SUMMARY

For the fiscal year ended March 31, 2004 with comparative figures for the previous fiscal year.

| ESTIMATE 2003/04 | | APPROPRIATION | ACTUAL 2003/04 | ACTUAL 2002/03 | INCREASE (DECREASE) | EXPLANATION NUMBER |
|---|---|---|---|---|---|---|
| | 13-4 | **RURAL & NORTHERN COMMUNITY ECONOMIC DEVELOPMENT SERVICES** | | | | |
| | (a) | Executive Administration | | | | |
| 21.9 | | 1 Salaries | 22.1 | 21.3 | 0.8 | |
| 10.2 | | 2 Other Expenditures | 9.7 | 10.0 | (0.3) | |
| | (c) | Community and Regional Development Initiatives | | | | |
| 228.0 | | 1 Salaries | 67.4 | 236.3 | (168.9) | |
| 85.7 | | 2 Other Expenditures | 75.9 | 75.1 | 0.8 | |
| 345.8 | | TOTAL 13-4 | 175.1 | 342.7 | (167.6) | |

## EXPENDITURE SUMMARY

For the fiscal year ended March 31, 2004 with comparative figures for the previous fiscal year.

| ESTIMATE 2003/04 | | APPROPRIATION | ACTUAL 2003/04 | ACTUAL 2002/03 | INCREASE (DECREASE) | EXPLANATION NUMBER |
|---|---|---|---|---|---|---|
| | 13-5 | **FINANCIAL ASSISTANCE TO MUNICIPALITIES** | | | | |
| | (a) | Financial Assistance for the City of Winnipeg | | | | |
| | | (1) Operating Assistance to the City of Winnipeg | | | | |
| 19,887.5 | | Unconditional Current Programs Grant | 19,887.5 | 19,887.5 | 0.0 | |
| 16,854.0 | | Unconditional Transit Operating Grant | 16,854.0 | 16,854.0 | 0.0 | |
| 8,290.5 | | General Support Grant | 8,290.5 | 7,931.2 | 359.3 | |
| 900.0 | | Dutch Elm Disease Control Program Grant | 900.0 | 900.0 | 0.0 | |
| 0.0 | | Strategic Initiatives | 1,823.0 | 1,723.5 | 99.5 | |
| 7,560.0 | | Unconditional Grant – Urban Development | 6,400.0 | 7,820.0 | (1,420.0) | 1 |
| (23,650.0) | | Less: Adjustment to reflect program transfers from the City of Winnipeg | (23,650.0) | (23,500.0) | (150.0) | |
| | | (2) Capital Assistance | | | | |
| 20,850.0 | | (a) Capital Financial Assistance to the City of Winnipeg | 18,632.4 | 19,126.0 | (493.6) | |
| 0.0 | | (b) Red River Floodway Control Structure | 0.0 | 500.0 | (500.0) | 2 |

## DEPARTMENT OF INTERGOVERNMENTAL AFFAIRS AND TRADE

## EXPENDITURE SUMMARY

**For the fiscal year ended March 31, 2004 with comparative figures for the previous fiscal year.**

| ESTIMATE 2003/04 | | APPROPRIATION | ACTUAL 2003/04 | ACTUAL 2002/03 | INCREASE (DECREASE) | EXPLANATION NUMBER |
|---|---|---|---|---|---|---|
| | (b) | Financial Assistance to Other Municipalities | | | | |
| | | (1) Operating Assistance | | | | |
| 1,649.2 | | (a) Transit Grants | 1,637.0 | 1,603.5 | 33.5 | |
| 1,110.4 | | (b) General Support Grants | 1,125.7 | 1,068.1 | 57.6 | |
| 6,490.0 | | (c) Unconditional Grants - Rural Community Development | 6,220.0 | 6,490.0 | (270.0) | |
| | | (2) Capital Assistance | | | | |
| 140.0 | | (a) Transit Bus Purchases | 110.0 | 140.0 | (30.0) | |
| | (c) | Grants to Municipalities in Lieu of Taxes | | | | |
| 14,594.4 | | (1) Grants | 14,335.3 | 14,053.4 | 281.9 | |
| (14,417.7) | | (2) Less: Recoverable from Other appropriations | (14,417.7) | (13,911.3) | (506.4) | |
| (1,055.0) | (d) | Less: Recoverable from Urban and Rural Economic Development Initiatives | (1,012.8) | (1,554.2) | 541.4 | 3 |
| 59,203.3 | | TOTAL 13-5 | 57,134.9 | 59,131.7 | (1,996.8) | |

## DEPARTMENT OF INTERGOVERNMENTAL AFFAIRS AND TRADE

## EXPENDITURE SUMMARY

**For the fiscal year ended March 31, 2004 with comparative figures for the previous fiscal year.**

| ESTIMATE 2003/04 | | APPROPRIATION | ACTUAL 2003/04 | ACTUAL 2002/03 | INCREASE (DECREASE) | EXPLANATION NUMBER |
|---|---|---|---|---|---|---|
| | **13-6** | **CANADA – MANITOBA AGREEMENTS** | | | | |
| 16,636.9 | (a) | Infrastructure Agreement | 16,050.0 | 12,640.8 | 3,409.2 | 4 |
| 1,409.8 | (b) | Economic Development Partnership Agreement | 1,497.0 | 2,556.9 | (1,059.9) | 5 |
| 18,046.7 | | TOTAL 13-6 | 17,547.0 | 15,197.7 | 2,349.3 | |
| | **13-7** | **URBAN STRATEGIC INITIATIVES** | | | | |
| | (a) | Neighbourhoods Alive! | | | | |
| 183.9 | | (1) Salaries and Employee Benefits | 187.7 | 165.3 | 22.4 | |
| 94.8 | | (2) Other Expenditures | 69.0 | 93.9 | (24.9) | |
| 3,392.1 | | (3) Neighbourhood Support | 3,229.4 | 3,264.8 | (35.4) | |
| (1,160.0) | | (4) Less: Recoverable from Urban and Rural Development Initiatives | (1,100.0) | (1,052.1) | (47.9) | |
| | (b) | Neighbourhoods Programs | | | | |
| 305.6 | | (1) Salaries and Employee Benefits | 297.5 | 336.5 | (39.0) | |
| 54.0 | | (2) Other Expenditures | 45.1 | 52.0 | (6.9) | |

## DEPARTMENT OF INTERGOVERNMENTAL AFFAIRS AND TRADE

## EXPENDITURE SUMMARY

**For the fiscal year ended March 31, 2004 with comparative figures for the previous fiscal year.**

| ESTIMATE 2003/04 | | APPROPRIATION | ACTUAL 2003/04 | ACTUAL 2002/03 | INCREASE (DECREASE) | EXPLANATION NUMBER |
|---|---|---|---|---|---|---|
| | (c) | Urban Community Economic Development | | | | |
| 240.2 | | (1) Salaries and Employee Benefits | 205.1 | 154.0 | 51.1 | |
| 57.7 | | (2) Other Expenditures | 55.4 | 62.7 | (7.3) | |
| (246.2) | | (3) Less: Recoverable from Urban Development Initiatives | (221.6) | (172.1) | (49.5) | |
| 19,400.0 | (d) | Urban Development Initiatives | 19,015.9 | 18,783.3 | 232.6 | |
| 22,322.1 | | TOTAL 13-7 | 21,783.5 | 21,688.3 | 95.2 | |
| 210.4 | 13.8 | **AMORTIZATION AND OTHER COSTS RELATED TO CAPITAL ASSETS** | 210.1 | 343.3 | (133.2) | |
| 116,634.1 | | TOTAL EXPENDITURES – INTERGOVERNMENTAL AFFAIRS | 112,095.2 | 111,281.8 | 813.4 | |

## SECTION II – TRADE AND FEDERAL-PROVINCIAL AND INTERNATIONAL RELATIONS

### EXPENDITURE SUMMARY

**For the fiscal year ended March 31, 2004 with comparative figures for the previous fiscal year.**

| ESTIMATE 2003/04 | | APPROPRIATION | ACTUAL 2003/04 | ACTUAL 2002/03 | INCREASE (DECREASE) | EXPLANATION NUMBER |
|---|---|---|---|---|---|---|
| | | **FEDERAL-PROVINCIAL AND INTERNATIONAL RELATIONS** | | | | |
| | 02-1(b) | Management and Administration | | | | |
| 61.2 | | Total Salaries | 59.3 | 56.2 | 3.1 | |
| | 02-1(c) | Federal-Provincial Relations Secretariat | | | | |
| 373.9 | | Total Salaries | 297.7 | 303.7 | (6.0) | |
| 81.6 | | Total Other Expenditures | 140.1 | 108.8 | 31.3 | |
| | 03-4(a) | Marketing and Farm Business Management | | | | |
| 28.6 | | Total Salaries | 24.4 | 33.1 | (8.7) | |
| | 03-5(c) | Central Region | | | | |
| 29.6 | | Total Salaries | 6.0 | 0.0 | 6.0 | |
| | 10-2(b) | Manitoba Trade & Investment Marketing | | | | |
| 253.1 | | Total Salaries | 300.7 | 282.2 | 18.5 | |
| 93.7 | | Total Other Expenditures | 78.1 | 84.8 | (6.7) | |
| | 44-4(b) | International Education | | | | |
| 126.0 | | Total Salaries | 53.4 | 48.3 | 5.1 | |
| 283.7 | | Total Other Expenditures | 338.1 | 237.2 | 100.9 | |
| | 14-3(a) | Communication Services Manitoba | | | | |
| 92.7 | | Total Salaries | 90.2 | 94.8 | (4.6) | |
| 1,424.1 | | TOTAL | 1,388.0 | 1,249.1 | 138.9 | |

## SECTION II – TRADE AND FEDERAL-PROVINCIAL AND INTERNATIONAL RELATIONS

### EXPENDITURE SUMMARY

**For the fiscal year ended March 31, 2004 with comparative figures for the previous fiscal year.**

| ESTIMATE 2003/04 | | APPROPRIATION | ACTUAL 2003/04 | ACTUAL 2002/03 | INCREASE (DECREASE) | EXPLANATION NUMBER |
|---|---|---|---|---|---|---|
| | | **MANITOBA TRADE** | | | | |
| | 03-4(a) | Marketing & Farm Business Management | | | | |
| 177.1 | | Total Salaries | 150.2 | 133.1 | 17.1 | |
| 240.0 | | Total Other Expenditures | 181.4 | 201.0 | (19.6) | |
| | 10-2(b) | Manitoba Trade & Investment Marketing | | | | |
| 1,030.8 | | Total Salaries | 1,111.1 | 1,042.5 | 68.6 | |
| 650.1 | | Total Other Expenditures | 366.0 | 447.0 | (81.0) | |
| | 10-3(a) | Manitoba Geological Survey | | | | |
| 41.8 | | Total Salaries | 0.0 | 0.0 | 0.0 | |
| 2,139.8 | | TOTAL | 1,808.7 | 1,823.6 | (14.9) | |
| | | **MANITOBA OFFICE IN OTTAWA** | | | | |
| | 10-1(e) | Manitoba Office in Ottawa | | | | |
| 124.6 | | Total Salaries | 124.0 | 117.9 | 6.1 | |
| 82.2 | | Total Other Expenditures | 69.8 | 67.2 | 2.6 | |
| 206.8 | | TOTAL | 193.8 | 185.1 | 8.7 | |
| 3,770.7 | | **TOTAL – TRADE AND FEDERAL-PROVINCIAL AND INTERNATIONAL RELATIONS** | 3,390.5 | 3,257.8 | 132.7 | |
| **120,404.8** | | **TOTAL – INTERGOVERNMENTAL AFFAIRS AND TRADE** | **115,485.7** | **114,539.6** | **946.1** | |

***EXPLANATION NOTES***

1. *The variance is due to a reduction in VLT revenues in the current year.*

2. *Funding for this program concluded in the 2002/03 fiscal year.*

3. *Actual recoveries decreased in the current year due to 2002/03 being the final year of funding for the Red River Floodway.*

4. *The year over year variance reflects the fourth year project cashflow in a six-year agreement.*

5. *Actual expenditures are lower in the current year as the agreement concluded in 2003/04.*

## DEPARTMENT OF INTERGOVERNMENTAL AFFAIRS AND TRADE

# REVENUE SUMMARY BY SOURCE

**For the fiscal year ended March 31, 2004 with comparative figures for the previous fiscal year.**

| Actual 2002/03 | Actual 2003/04 | Increase (Decrease) | Source | Actual 2003/04 | Estimate 2003/04 | Variance | Expl. No. |
|---|---|---|---|---|---|---|---|
| | | | Current Operation Programs – Other Revenue | | | | |
| 353.2 | 496.9 | 143.7 | (a) Fees | 496.9 | 472.7 | 24.2 | |
| 6,630.9 | 6,905.3 | 274.4 | (b) Municipalities Shared Cost Receipts | 6,905.3 | 7,197.7 | (292.4) | |
| 54.1 | 106.1 | 52.0 | (c) Sundry | 106.1 | 50.2 | 55.9 | |
| | | | Government of Canada | | | | |
| 635.6 | 380.1 | (255.5) | (a) Other | 380.1 | 382.2 | (2.1) | |
| 7,673.8 | 7,888.4 | 214.6 | TOTAL REVENUE | 7,888.4 | 8,102.8 | (214.4) | |

## DEPARTMENT OF INTERGOVERNMENTAL AFFAIRS AND TRADE

# FIVE-YEAR EXPENDITURE AND STAFFING SUMMARY BY APPROPRIATION

**For years ending March 31, 2000 – March 31, 2004**

**ACTUAL/ADJUSTED*EXPENDITURES ($000)**

## SECTION I – INTERGOVERNMENTAL AFFAIRS

| | | 1999/2000 | | 2000/01 | | 2001/02 | | 2002/03 | | 2003/04 | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | FTE | $ | FTE | $ | FTE | $ | FTE | $ | FTE | $ |
| 13-1 | ADMINISTRATION AND FINANCE [1,2,3,4] | 39.10 | 2,532.5 | 34.60 | 2,209.2 | 33.60 | 2,222.5 | 34.60 | 2,331.7 | 35.60 | 2,290.6 |
| 13-2 | COMMUNITY & LAND USE PLANNING SERVICES [1] | 55.00 | 3,880.9 | 55.00 | 3,506.9 | 55.00 | 3,670.5 | 55.00 | 3,553.7 | 55.00 | 3,958.2 |
| 13-3 | PROVINCIAL-MUNICIPAL SUPPORT SERVICES [1,3] | 161.10 | 8,788.5 | 160.10 | 8,866.7 | 160.10 | 8,575.2 | 160.10 | 8,692.7 | 160.10 | 8,995.8 |
| 13-4 | RURAL & NORTHERN COMMUNITY ECONOMIC DEVELOPMENT SERVICES [1,3,5] | 3.50 | 378.8 | 3.50 | 475.1 | 3.50 | 349.7 | 3.50 | 342.7 | 3.50 | 175.1 |
| 13-5 | FINANCIAL ASSISTANCE TO MUNICIPALITIES [1,5] | 0.00 | 54,457.1 | 0.00 | 58,371.4 | 0.00 | 59,124.5 | 0.00 | 59,131.8 | 0.00 | 57,134.9 |
| 13-6 | CANADA-MANITOBA AGREEMENTS [1] | 7.00 | 11,932.7 | 6.50 | 8,673.5 | 7.00 | 13,713.0 | 6.00 | 15,197.7 | 6.00 | 17,547.0 |
| 13-7 | URBAN STRATEGIC INITIATIVES [3] | 10.00 | 15,095.7 | 12.00 | 19,564.4 | 13.00 | 19,891.4 | 13.00 | 21,688.3 | 13.00 | 21,783.5 |
| 13-8 | AMORTIZATION OF CAPITAL ASSETS | 0.00 | 403.7 | 0.00 | 403.7 | 0.00 | 400.0 | 0.00 | 343.3 | 0.00 | 210.1 |
| TOTAL | INTERGOVERNMENTAL AFFAIRS | 275.70 | 97,469.9 | 271.70 | 102,070.9 | 272.20 | 107,946.8 | 272.20 | 111,281.9 | 273.20 | 112,095.2 |

## DEPARTMENT OF INTERGOVERNMENTAL AFFAIRS AND TRADE

# FIVE-YEAR EXPENDITURE AND STAFFING SUMMARY BY APPROPRIATION

**For years ending March 31, 2000 – March 31, 2004**

**ACTUAL/ADJUSTED*EXPENDITURES ($000)**

## SECTION II – TRADE AND FEDERAL-PROVINCIAL AND INTERNATIONAL RELATIONS

| | | 1999/2000 | | 2000/01 | | 2001/02 | | 2002/03 | | 2003/04 | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | FTE | $ | FTE | $ | FTE | $ | FTE | $ | FTE | $ |
| | EXECUTIVE COUNCIL | 6.00 | 322.7 | 6.00 | 397.5 | 6.00 | 417.1 | 6.00 | 468.7 | 6.00 | 497.1 |
| | ADVANCED EDUCATION AND TRAINING | 0.00 | 0.0 | 0.00 | 0.0 | 2.00 | 122.3 | 2.00 | 285.5 | 2.00 | 391.5 |
| | AGRICULTURE, FOOD AND RURAL DEVELOPMENT | 4.00 | 404.8 | 4.00 | 341.7 | 4.00 | 368.7 | 4.00 | 367.2 | 4.00 | 362.0 |
| | CULTURE, HERITAGE AND TOURISM | 1.00 | 78.5 | 1.00 | 81.2 | 1.00 | 111.6 | 1.00 | 94.8 | 1.00 | 90.2 |
| | INDUSTRY, ECONOMIC DEVELOPMENT AND MINES | 22.00 | 2,430.6 | 17.00 | 1,851.7 | 20.00 | 2,239.3 | 19.00 | 2,041.6 | 22.00 | 2,049.7 |
| TOTAL | TRADE AND FEDERAL-PROVINCIAL AND INTERNATIONAL [1] | 33.00 | 3,236.6 | 28.00 | 2,672.1 | 33.00 | 3,259.0 | 32.00 | 3,257.8 | 35.00 | 3,390.5 |
| TOTAL | INTERGOVERNMENTAL AFFAIRS AND TRADE | 308.70 | 100,706.5 | 299.70 | 104,743.0 | 305.20 | 111,205.8 | 304.20 | 114,539.7 | 308.20 | 115,485.7 |

*EXPLANATION NOTES*

1. *The 1999/2000 actuals have been adjusted to reflect the amalgamation of the former Departments of Urban Affairs and Rural Development, and the resulting reorganization, in 2000/01.*

2. *The 1999/2000 actual expenditures of Administration and Finance have been adjusted to reflect the transfer of staff and operating expenditures from Family Services and Housing during the 1999/2000 year related to the amalgamation of the former departments of Urban Affairs and Rural Development.*

3. *In addition to the reorganization explained in note 1, the Department was further reorganized in 2002/03 and again in 2003/04. The 1999/2000, 2000/01, 2001/02, and 2002/03 actuals have been adjusted to reflect the reorganization.*

4. *In 2002/03, the Surface Rights Board was transferred to Industry, Trade and Mines. The 1999/2000, 2000/01, and 2001/02 actuals have been adjusted to reflect tho transfer.*

5. *As part of the reorganization that took place in 2003/04, the Trade and Federal-Provincial and International Relations division was created with transfers from Executive Council, Advanced Education and Training, Agriculture Food and Rural Development, Culture Heritage and Tourism and Industry, Economic Development and Mines. Rural and Northern Community Economic Development Services programming was transferred to the Department of Agriculture, Food and Rural Initiatives. The Manitoba Water Services Board was transferred to the Department of Water Stewardship.*

# Appendices

## Appendix A - Market Value Assessment - Provincial Totals

At the end of the calendar year, the Assessment Branch delivers final assessment rolls to all municipalities excluding the City of Winnipeg. The market value of all assessment in Manitoba as shown on these rolls is aggregated in the table below.

| Roll Type / Year | RURAL | VILLAGES | TOWNS | CITIES | L.G.D.S. | ABORIGINAL / NORTHERN AFFAIRS | TOTAL |
|---|---|---|---|---|---|---|---|
| Business | | | | | | | |
| 2004 | 41,109,310 | 1,144,182 | 35,064,770 | 40,127,940 | 591,500 | 1,320,200 | 119,357,902 |
| 2003 | 43,998,360 | 1,362,972 | 34,061,340 | 38,658,880 | 453,700 | 1,317,100 | 119,852,352 |
| Change | (2,889,050) | (218,790) | 1,003,430 | 1,469,060 | 137,800 | 3,100 | (494,450) |
| Personal | | | | | | | |
| 2004 | 133,179,300 | 2,556,800 | 25,234,300 | 31,117,400 | 0 | 150,700 | 192,238,500 |
| 2003 | 134,476,900 | 2,883,900 | 29,289,700 | 31,011,000 | | 150,700 | 197,812,200 |
| Change | (1,297,600) | (327,100) | (3,055,400) | 106,400 | 0 | 0 | (4,573,700) |
| Real (T) | | | | | | | |
| 2004 | 17,274,369,124 | 288,826,900 | 2,780,199,600 | 3,549,713,250 | 52,319,800 | 64,464,000 | 24,029,892,674 |
| 2003 | 16,994,240,194 | 298,218,300 | 2,729,016,900 | 3,480,712,550 | 51,336,300 | 63,877,400 | 23,617,401,644 |
| Change | 280,128,930 | (9,391,400) | 51,182,700 | 69,000,700 | 983,500 | 586,600 | 392,491,030 |
| Real (G) | | | | | | | |
| 2004 | 610,269,300 | 13,628,200 | 158,635,400 | 269,003,800 | 3,767,100 | 51,632,000 | 1,106,935,800 |
| 2003 | 602,491,200 | 14,046,000 | 156,816,000 | 266,962,700 | 3,194,300 | 51,052,700 | 1,094,562,900 |
| Change | 7,778,100 | (417,800) | 1,819,400 | 2,041,100 | 572,800 | 579,300 | 12,372,900 |
| Real (N) | | | | | | | |
| 2004 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2003 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Change | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Real (S) | | | | | | | |
| 2004 | 81,702,600 | 17,189,000 | 174,751,100 | 134,701,500 | 352,100 | 456,600 | 409,154,900 |
| 2003 | 80,595,000 | 17,142,500 | 174,717,100 | 133,765,430 | 352,100 | 427,300 | 406,999,430 |
| Change | 1,107,600 | 46,500 | 34,000 | 936,070 | 0 | 31,300 | 2,155,470 |
| Real (E) | | | | | | | |
| 2004 | 938,522,000 | 81,464,900 | 977,503,100 | 499,804,600 | 16,877,100 | 42,902,500 | 2,557,074,200 |
| 2003 | 935,869,200 | 81,439,200 | 967,478,900 | 500,108,500 | 16,740,200 | 42,825,300 | 2,544,476,300 |
| Change | 2,652,800 | 25,700 | 10,024,200 | (303,900) | 136,900 | 82,200 | 12,597,900 |
| TOTAL | | | | | | | |
| 2004 | 19,079,151,634 | 404,809,982 | 4,152,388,270 | 4,524,468,490 | 73,907,600 | 160,926,000 | 28,415,653,976 |
| 2003 | 18,791,690,854 | 415,092,872 | 4,091,379,940 | 4,451,219,060 | 72,076,600 | 179,646,500 | 28,051,104,826 |
| Change | 287,460,780 | (10,282,890) | 61,008,330 | 73,249,430 | 1,831,000 | 1,202,500 | 414,549,150 |

T - Taxable
G - Exempt: Subject to grant in lieu of taxes
N - Exempt: Subject to grant, exempted from school levies
S - Taxable: Exempt from school levies
E - Exempt

## Appendix B – Total School Assessment (Portioned Values)

In accordance with provisions of *The Municipal Assessment Act*, the 2004 Total School Assessment was provided to the Department of Education and Youth by December 1, 2003 and formed the basis for the calculation of school levies. The Total School Assessment (TSA) is the TMA plus portioned values of personal property less the value of real property, which is exempt from school taxes. The TSA is the tax base used by the Province to raise revenue to support the education program across Manitoba and is a determining factor in the distribution of funding to school divisions.

| School Division | School Assessment |
|---|---|
| Beautiful Plains | 246,254,450 |
| Borderland | 313,823,320 |
| Brandon | 1,056,736,870 |
| Evergreen | 343,900,410 |
| Flin Flon | 73,333,280 |
| Fort la Bosse | 257,563,410 |
| Frontier | 1,840,551,680 |
| Garden Valley | 324,824,050 |
| Hanover | 595,280,120 |
| Interlake | 428,471,710 |
| Kelsey | 141,654,020 |
| Lakeshore | 130,625,100 |
| Lord Selkirk | 670,879,330 |
| Louis Riel | 2,141,351,080 |
| Mountain View | 388,418,450 |
| Mystery Lake | 186,764,040 |
| Outside division boundaries * | 41,567,880 |
| Park West | 321,445,470 |
| Pembina Trails | 2,248,860,460 |
| Pine Creek | 165,939,800 |
| Portage la Prairie | 474,779,400 |
| Prairie Rose | 355,545,120 |
| Prairie Spirit | 432,854,180 |
| Red River Valley | 400,070,710 |
| River East Transcona | 317,861,360 |
| Rolling River | 299,480,120 |
| Seine River | 476,059,230 |
| Seven Oaks | 924,456,040 |
| South West Horizon | 395,796,260 |
| St. James Assiniboia | 1,563,506,620 |
| Sunrise | 752,409,720 |
| Swan Valley | 255,044,780 |
| Turtle Mountain | 191,033,380 |
| Turtle River | 81,771,870 |
| Western | 172,825,640 |
| Winnipeg | 3,902,452,000 |
| GRAND TOTAL | 22,839,191,430 |

* Subject to Education Support Levy and not Special Levy

# Appendix C – Committees and Crown Corporations

## Leaf Rapids Town Properties Ltd.

Leaf Rapids Town Properties Ltd. (formerly Leaf Rapids Corporation) was formed in 1971 by a precedent-setting agreement between the Province and Sherrit-Gordon Mines. Under the agreement, all assessable surface property of the mining company was put on the tax roll for taxation purposes, making Sherrit-Gordon a corporate citizen of the Town. The Province, through Leaf Rapids Town Properties Ltd., developed the townsite property and is recovering costs through land sales and property rentals.

The Corporation has a five-person Board of Directors comprised of senior civil servants, with Marie Elliott, Deputy Minister of Intergovernmental Affairs and Trade as Chairperson. Current Directors are Christine Kaszycki (Industry, Economic Development and Mines), Don Delisle (Finance), Geoff Bawden (Transportation and Government Services), Christine Burton (Agriculture, Food and Rural Initiatives) and an ex-officio representative of the Town of Leaf Rapids. Day to day management of the Town Centre, industrial park, mobile home park, and other properties is carried out by a staff of three under the direction of the General Manager, Christine Burton and the Property Manager, John Kokorsch.

# Appendix D - Sustainable Development Activities and Accomplishments

The following is a summary of progress made towards integrating the principles and guidelines of sustainable development into the programs and activities of the Department of Intergovernmental Affairs and Trade. The summary is organized on the basis of the Principles and Guidelines of Sustainable Development as outlined in Schedules A and B of *The Sustainable Development Act*.

## Integration of Environmental and Economic Decisions

- The Administrative Services Branch staff facilitated government-wide implementation of sustainable development principles and policies through participation on several government-wide sustainable development related committees, as well as co-ordinating the Sustainable Development Planning and Implementation Team for the Department.

- The primary focus of the Canada-Manitoba Infrastructure Program (CMIP) is green municipal infrastructure including projects that protect and/or enhance the quality of our environment, such as water and waste water systems, water management, solid waste management and recycling, retrofit to improve energy efficiency of buildings and facilities owned by local governments. As of March 31, 2004, $67.7 million (consisting of matching federal, provincial and local 1/3 contributions) CMIP funding supported 132 rural and northern first priority green projects, including $15.9 million for five Boil Water Order projects to remedy urgent environmental issues; $45.3 million to 118 rural and northern sewer and water projects; $3.9 million for nine waste disposal and recycling projects; and $1.7 million for Red River flood protection.

- The Canada-Manitoba Economic Development Partnership Agreement (EDPA) promotes greater federal-provincial co-operation in Manitoba's economic development through a partnership program of strategic investments with other interested stakeholders. From 1998 through March 2002 EDPA directed $40 million into strategic projects to expand the international competitiveness of Manitoba's key growth sectors, commercialize new technologies, assist small and medium-sized businesses and entrepreneurs, enhance the long-term economic self-sustainability of rural and urban communities, and increase tourism potential. The five year, $40 million EDPA expired March 31, 2004.

- The new $50 million Canada-Manitoba Economic Partnership Agreement (EPA), announced on December 1, 2003, will build on a successful history of federal-provincial economic development agreements and contribute to strengthening and expanding the economy. The EPA is intended to further strengthen and diversify Manitoba's economy, build on existing economic strengths, enhance the skills of Manitoba's workforce and promote regional development in accordance with two strategic priorities: Building our Economy and Sustainable Communities. The term of the agreement is December 2003 to March 2008.

- The Community and Land Use Planning Services Division worked in partnership with local planning authorities, other government departments, the private sector and stakeholders to ensure that Manitobans live in well-planned, environmentally sound and economically sustainable communities and regions. The Community and Land Use Planning Services Division is responsible for developing and administering integrated provincial land use planning policies, legislation and regulations, and providing regionally based professional planning services to local governments, planning districts, northern communities and the public, consistent with provincial land use interests.

## Stewardship

- The Municipal Finance and Advisory Services Branch provided grants to enhance the sustainability of communities, to assist in the provision of quality, affordable services and to assist in the management of community resources and environment, including: support for green infrastructure in the City of Winnipeg such as bus stops and transit bus replacement and combined sewer renewal through the Urban Capital Projects Allocation; Support for the City of Winnipeg's Dutch Elm Disease Control Program; and Province-wide operating and capital support for public transit, including transit for the mobility disadvantaged.

- The Community and Land Use Planning Services provided grants to municipalities and planning districts to initiate their first community land use planning program or to review and update their development plan and zoning by-law.

- The Canada-Manitoba Infrastructure Program requires proponents to provide baseline and target quantitative benefits applicable to their project. At the completion of the project the actual measurement is reported. Any variances from the target benefit must be explained.

- The Canada-Manitoba Economic Partnership Agreement requires proponents to provide baseline and target quantitative performance indicators to their project on a regular basis. Any variances from the target benefit must be explained.

- Urban Green Team helped create opportunities for young Manitobans to pursue job and career-related opportunities in their home communities while helping communities maintain and enhance their local environment.

## Shared Responsibility & Understanding

- Human Resources Services, through implementation of the Department's Affirmative Action Plan, ensured that policies considered and reflected the needs and views of the various ethnic groups in Manitoba.

- The Canada-Manitoba Infrastructure Program encourages regional approaches and promotes partnerships amongst municipalities, on-and-off-reserve communities, and with non-profit and private sector organizations. For example, the Canada-Manitoba Infrastructure Program partnered with the communities of Agharning, Bissett, Manigotogan and Seymourville and the Hollow Water First Nation to construct a $652,600 regional waste disposal site.

- A local consultative committee consisting of repesentatives from the Association of Manitoba Municipalities and Northern Association of Community Councils was established to review and recommend rural and northern Canada-Manitoba Infastructure Program project funding.

- Under the Canada-Manitoba Economic Partnership Agreement, the governments of Canada and Manitoba focus co-operative efforts in partnership with community stakeholders on two strategic priorities -- Building our Economy and Sustainable Communities -- to enhance the skills of the Manitoba workforce and promote economic growth and diversification in Manioba.

- Partnership initiatives under each priority area urder the Canada-Manitoba Economic Partnership Agreement may take the form of capital projects pilot projects, start-up support leading to self-sustainability, studies including feasibility, business plans, market-related research, innovative research, and so on.

- The Urban Strategic Initiatives Division worked i partnership with five Neighbourhood Renewal Corporations (NRCs) in the targeted Neighbourhoos Alive! neighbourhoods. The NRCs focus on the issues identified by their communities and bring foward proposals that best meet the needs of the community. USI staff worked to support the capacit of the NRCs and projects being undertaken in the

NA! neighbourhoods. Both parties shared responsibility for a community-driven process of urban revitalization.

- Provincial Planning Services provided staff support to the Interdepartmental Planning Board, comprised of Deputy Ministers of the departments of Conservation (co-chair), Intergovernmental Affairs and Trade (co-chair), Agriculture and Food, Transportation and Government Services, Aboriginal and Northern Affairs, Culture, Heritage and Tourism, and Industry, Trade and Mines.

- The Community and Land Use Services Division provided planning services to other provincial departments as well as other divisions within the Department. It also consulted and worked with local government associations, the public, industry and other provincial and federal departments as an integral and on-going part of its activities.

- The Community and Land Use Planning Services Division is undertaking an intergovernmental and public review of the Provincial Land Use Policies Regulation under *The Planning Act* to enhance the Provincial Land Use Policies and extend their application province-wide.

- The Community and Land Use Planning Services Division is undertaking a public review of Manitoba's planning law to streamline and modernize the legislation.

## Prevention

- All Canada-Manitoba Infrastructure Program (CMIP) approved projects are subject to review under the *Canadian Environmental Assessment Act* (CEAA) and the *Manitoba Environment Act*. In Manitoba, federal and provincial legislation is harmonized, providing for federal and provincial collaboration in the environmental assessment process. In some cases, municipal projects funded under CMIP require an environmental assessment and licensing. Therefore, a joint federal-provincial assessment is undertaken in accordance with the Canada-Manitoba Agreement for Environmental Assessment Co-operation. This process includes *Canada Environmental Assessment Act*, *Environment Act* and *Public Health Act*, screenings. Proponents must adhere to mitigation measures as outlined in the CMIP Contribution Agreement.

- Similarly, all Canada-Manitoba Economic Partnership Agreement (EPA) approved projects are subject to review under the *Canadian Environmental Assessment Act* (CEAA) and the *Manitoba Environment Act*.

- After significant consultation with the public and stakeholders, Intergovernmental Affairs and Trade introduced Bill 40 to the Manitoba Legislature, a proposed amendment to the *Planning Act*, intended to assist in better managing the sustainable development of the livestock industry.

## Conservation & Enhancement

- The Canada-Manitoba Infrastructure Program provided $1.7 million towards the Red River Floodway inlet improvement project. The project consists of the removal of two sections of the east embankment of the Red River Floodway south of Winnipeg between St. Mary's Road bridge crossing and the western edge of Grande Point, thereby increasing the floodway's capability of handling a large flood in the future and helping to reduce standing floodwater upstream of the floodway (south of Winnipeg).

- The Canada-Manitoba Economic Partnership Agreement assists in the development of northern Manitoba's human and natural resources to ensure northern Manitobans can take full advantage of the opportunities in the region (e.g. eco-tourism, mining, forestry, and fishing).

## Rehabilitation & Reclamation

- The Urban Strategic Initiatives Division supported neighbourhood enhancement and greening projects through the NA! initiative. NA! funded projects, such as the Cliff Park project in Thompson and the Spirit Park project in Winnipeg, help support community efforts to rehabilitate derelict urban sites and provide green space for community recreation and social interaction.

- The Canada-Manitoba Infrastructure Program provided $15.9 million for five Boil Order projects to remedy urgent environmental issues.

- Under the Sustainable Communities strategic priority, the Canada-Manitoba Economic Partnership Agreement assists the revitalization of urban communities by supporting community economic development initiatives that contribute to downtown and inner city renewal, build community capacity, enhance knowledge and skills, and foster sustainable economic development.

- The Urban Strategic Initiatives Division, together with the City of Winnipeg, supported community-identified projects through the Building Communities initiative including the creation of new community green spaces and recreational venues.

## Public Participation

- The federal-provincial environmental process provided for public participation as appropriate.

- The Canada-Manitoba Infrastructure Program is an application-based program available to local governments, as well as non-profit and private sector organizations.

- All municipal infrastructure approved projects under the Canada-Manitoba Infrastructure Program require supporting municipal resolutions.

- The various planning decision-making processes under *The Planning Act* and *The City of Winnipeg Charter* require public notification and hearings.

- The Urban Strategic Initiatives Division's Building Communities Program is a cost-shared, urban renewal initiative with the City of Winnipeg. Community consultation and participation are fundamental elements of the initiative. In each neighbourhood, an advisory committee, comprised of local residents and key stakeholders, is involved in the identification of capital priorities and the development of a strategic plan for addressing them.

- A review of provincial planning legislation (*The Planning Act* and Part 6 of *The City of Winnipeg Charter*) is underway with the objectives of modernizing and streamlining the law. The process includes stakeholder and public consultation.

- The Regional Planning Advisory Committee, after significant public, municipal and stakeholder consultation issued its final report "A Partnership For The Future" in which it made approximately 70 recommendations to the government on issues facing Manitoba's Capital Region.

## Access To Information

- The Canada-Manitoba Infrastructure Program provided access to information through a number of avenues, including a web site, a 1-800 number, an Information/Help Officer, project approvals news releases, and an annual progress report. The web site provided information on program guidelines, approved projects, intake deadlines, and links to the national Infrastructure Canada website. The site also included downloadable applications, as well as a web-based, on-line application system. The Canada-Manitoba Economic Development Partnership Program provided information through similar means.

- By administering *The Freedom of Information and Personal Privacy Act* on behalf of the Department, the Administrative Services Branch facilitated the opportunity for equal and timely access to departmental information by all Manitobans.

- Public access to assessment information was substantially improved through the provision of a web site that enabled internet users to search for the assessment of specific properties. Users may now obtain this information from their homes or offices rather than by visiting a municipal or Assessment Branch office. The site also answers frequently asked questions about assessments. The market value assessment system, combined with easier access to information, will assist the public in understanding the value of property and thereby support sustainable development decision making.

- An annual publication of financial information for municipalities presents relevant and useful statistical information about all Manitoba municipalities. This publication is used by municipal officials and others to support economic development, program review and service improvement initiatives and other community strengthening strategies.

- The Community and Land Use Planning Services Division maintains a Capital Region web site to provide improved public access to research and information.

## Integrated Decision-Making & Planning

- The Canada-Manitoba Infrastructure Program agreement provides for a Federal-Provincial Management Committee to establish administrative guidelines for the application, review, assessment, approval, and implementation of projects and ensure that appropriate program reporting and evaluation processes are in place. The activities of the Management Committee are supported through the joint Canada-Manitoba Infrastructure Secretariat established to minimize overlap and duplication in federal-provincial program delivery and to contribute to improved federal-provincial cooperation. The Secretariat is staffed with both federal and provincial officials.

- The Canada-Manitoba Infrastructure Program agreement provides for the establishment of one or more local consultative committees to review and recommend on project funding and implementation. A local consultative process was established for projects in rural and northern Manitoba and a separate consultative process for projects within Winnipeg. In Manitoba, the Infrastructure Program is characterized by good, co-operative federal-provincial relations at both the elected and officials level, as well as a positive consultative process in project selection with local governments through Winnipeg City Council, the Association of Manitoba Municipalities (AMM), and the Northern Association of Community Councils (NACC).

- The Canada-Manitoba Economic Partnership Agreement (EPA) provides for a Federal-Provincial Management Committee to establish program strategic priorities, establish administrative guidelines for the application, review, assessment, approval, and implementation of projects and ensure that appropriate program reporting and evaluation processes are in place.

- The Community Planning Assistance Program provided financial incentives and technical advice to municipalities to join together in a planning district and jointly develop land use planning by-laws.

- The Urban Strategic Initiatives Division has taken the lead role on behalf of the provincial government in the negotiation and implementation of a new tripartite Winnipeg Partnership Agreement (WPA) for Winnipeg. The WPA Memorandum of Understanding (MOU), signed in early 2003, was developed through a collaborative tri-government process with the objective of developing a tripartite agreement that will provide a mechanism for co-ordinated, integrated decision-making and planning for urban development in Winnipeg.

- The Urban Strategic Initiatives Division, through the NA! Working Group, consulted with colleagues in other departments on initiatives and proposals that may have impacts on more than one department. A Steering Committee of five Ministers makes decisions on all projects and provides overall direction for NA! and its component programs.

- The Urban Strategic Initiatives Division's Building Community Initiative has a joint, Manitoba-Winnipeg decision-making and implementation mechanism at both the working and the elected officials' levels that supports an integrated, collaborative approach.

## Waste Minimization & Substitution

- Through participation on the government-wide Procurement Council, the Administrative Services Branch helped to formulate sustainable procurement practices for government-wide implementation, and has also co-ordinated the implementation of these practices in Intergovernmental Affairs and Trade.

- The primary focus of the Canada-Manitoba Infrastructure Program is green municipal infrastructure, which includes solid waste management and recycling. As of March 31, 2004 nine solid waste disposal and recycling projects have received support totaling $3.9 million under the Canada-Manitoba Infrastructure Program.

- The Canada-Manitoba Economic Development Partnership Agreement contributed $1.4 million to a new solid waste management system featuring recycling and composting facilities, benefiting over 13,500 residents in southwestern Manitoba. The towns of Neepawa, Minnedosa and Carberry, and the rural municipalities of Langford, Minto, North Cypress, Odanah, Lansdowne and Elton partnered in the construction of the new facility.

- The Canada-Manitoba Economic Partnership Agreement provides support for emerging economic clusters, such as environmental industries including alternative energy developments.

## Research & Innovation

- *Tools for Change,* developed by the Municipal Finance and Advisory Services Branch in partnership with the Association of Manitoba Municipalities, supports municipalities interested in exploring new approaches to meeting local challenges. It provided useful information and practical tools, enabling municipalities to realize their strategic visions and enhance community sustainability.

- The Municipal Finance and Advisory Services Branch has developed a comprehensive set of information resources which were shared with election officials, candidates and electors. These resources, which included training seminars and a comprehensive training manual for election officials, an interactive municipal general election web site, and a guide for prospective members of councils, assisted communities in conducting fair and democratic elections and electing municipal officials.

- The Canada-Manitoba Economic Partnership Agreement supports projects that encourage innovative research and development, including technology commercialization and product development; develop key sites of research-led development that generate related spin-off benefits for local companies; and build knowledge-based industries through strategies that retain and attract highly qualified researchers and scientists to Manitoba.

- The Urban Strategic Initiatives Division has the lead role on behalf of the provincial government in the negotiation and implementation of a new tripartite Winnipeg Partnership Agreement (WPA) for Winnipeg. The WPA Memorandum of Understanding, signed in January of 2003, identified that technology and innovation will be a focus of the tripartite agreement.

## Pollution Prevention and Human Health

- All branches and field offices continued to recycle solid waste and scrap paper, a total of 9,960 lbs., which includes aluminum cans, paper and cardboard and is expanding to batteries and Styrofoam, as well.

- The government discontinued the use of virgin paper and increased the purchase of recycled paper. As a result the government used 99.99% recycled paper, up from 72% recycled paper in 2002/2003.

- The Winnipeg office of the Community and Land Use Planning Services Division undertake two-sided printing, in addition to two-sided copying, of documents. The objective is to reduce the amount of paper purchases. Instructions on how to two-side print have been distributed to the regional offices as well.

## Reduction of Fossil Fuel Emissions

- All departments have been encouraged to use ethanol gasoline (E10) when operating government vehicles. As leases expire, vehicles are being replaced with E85 vehicles (currently there are four E85 vehicles of 66 vehicles). Evaluations are undertaken regularly to ensure the use of lower consumption vehicles.

- Alternative forms of transportation have been encouraged and bicycle racks have been installed at buildings where the staff has requested it.

## Community Economic Development

- The strategic priority Sustainable Communities under the Canada-Manitoba Economic Partnership Agreement supports leaders in Manitoba's urban areas, rural areas, and the north to identify and take advantage of local opportunities ultimately fostering sustainable economic development.